

World Benchmarking Alliance  
Annual Report 2020





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# The lasting impact of 2020

2020 was a difficult year for everyone around the world. The COVID-19 pandemic and its impacts will be felt throughout the decade ahead and have already ignited societal expectation towards business **to take greater responsibility for people and planet**. It is not without trepidation that we head into 2021 and whatever it has in store for us, but we, like many other organisations, are nevertheless relieved to leave 2020 behind. This annual report is an opportunity to pause and reflect on what last year brought and taught us, despite and in many cases because of the whirlwind of events that took place.

On a personal level, it was a year in which many of us had to deal with loss, hardship and anxiety, often without the support of colleagues, friends and family.

On a global level, 2020 should have kick-started the Decade of Action on the United Nation's (UN) Sustainable Development Goals (SDGs) but was derailed by COVID-19 almost before the year had started. During this unprecedented crisis, the world lost 495 million jobs, saw an estimated 124 million people slip back into extreme poverty and approximately 137 million people become acutely food insecure. COVID-19 laid bare the deep-rooted flaws in our global system.

The crisis is delivering the final blow to an economic model that is no longer sustainable – environmentally or socially.

Against this backdrop, the need for the World Benchmarking Alliance (WBA), which is focused on driving the systemic transformation necessary to achieve the SDGs, has only increased. Our mission therefore remained our North Star and one of the few constants in an otherwise turbulent year. The other big constant was the trust, loyal support and flexibility offered by our donors, who collectively allowed us to adjust, experiment, continue to grow and focus on sustainable development impact.

As a result, and thanks to the resilience and dedication of our staff, Supervisory Board members and Allies, WBA as an organisation was by and large able to follow the themes we set out for 2020: scale first, depth later. We grew the organisation to 65 employees, expanded our funder base, increased the number of Allies to 180+ organisations and assessed 400+ companies. WBA is now in a very different place than it was at the beginning of 2020. While we are still a young organisation, our work is increasingly recognised by the business world, civil society as well as multilateral and government communities. This is reflected in



# The lasting impact of 2020

the growth of the Alliance, our presence in key policy circles such as the European Union (EU) and UN and direct engagement with companies. COVID-19 was not the only global emergency of 2020. Rather, the pandemic exposed the interlinkages between public health, social well-being and the environment, leaving no doubt that one cannot be addressed in isolation from the others. The ongoing climate and biodiversity crises were luckily not deprioritised, perhaps in part thanks to the pandemic and thanks to the complete narrative shift in how we address racial inequality. Black Lives Matter (BLM) as a movement put institutional racism and racial inequality centre stage. Although this crisis has been in the making for hundreds of years, it nevertheless shook the world. Like COVID-19, the BLM movement uncovered some of the deep-rooted flaws in our societies. While the movement was born out of police brutality against black people in the United States, it demanded attention for the way minorities across the globe are mistreated and continue to face an uphill battle for equal rights and opportunities.

2020 was defined by COVID-19 and BLM, but the climate and biodiversity crises continued to rise on the global agenda. It therefore became a year that posed serious questions and a need for reflection. This is true both for the companies we assess and for ourselves, as we

take pride in being an organisation that is inclusive and aspirational and exists in service of the SDGs, the central promise of which is to leave no one behind.

This annual report lays out the most important developments, results and learnings we take with us as we enter 2021.



By **Gerbrand Haverkamp**  
Executive Director





WBA is building a movement to measure and incentivise business impact towards a sustainable future that works for everyone. Our work is designed to transform systems, creating an accountability mechanism for the private sector on the SDGs, thus improving business impact on people and the planet, particularly in developing countries.

During 2020, WBA undertook a substantive review of our approach to monitoring, evaluation and learning (MEL), updated our theory of change (ToC) and concluded our first evaluation.

In January, we kicked off a project with an independent consultancy (Steward Redqueen) to review our approach, starting with our ToC. Having sought input from Allies, donors and other stakeholders in 2019, this update was about fine-tuning our focus and clarifying how our activities led to impact. At the same time, we wanted to clarify the metrics we could collect to hold ourselves accountable, learn and improve, and report to donors in a timely fashion.

In April, WBA introduced the new MEL framework internally and received feedback from donors as well as publishing our ToC on the WBA [website](#). With this framework in place, WBA then focused on an extensive roll-out internally, training all relevant teams, putting in



## Monitoring, evaluation and learning

place a new system to collect data and capture lessons to resolve issues more systematically. This system has directly fed into the preparation of this annual report and accompanying data.

WBA's new MEL framework and accompanying results management framework (RMF) are designed in such a way that the entire WBA team has a role in collecting the data relevant for the management of WBA results and ensuring that this data is regularly updated in relevant systems. This fits well with WBA's aim to adopt a teal organisational structure in which employee self-management is one of the principles guiding day-to-day work. Such a structure allows WBA staff to form a small project MEL team whose goal is to equip colleagues with the skills to collect the data themselves, to analyse results and initiate learning sessions based on the analysis.

During the initial internal roll-out of the new framework, the MEL team organised training sessions with benchmark and operational teams. The aim of these sessions was to bring the ToC and RMF closer to teams in order to illustrate the importance of continuous monitoring of results as well as how regular data collection is reflected in results and what data collection within the team looks like in practice. For this reason, many teams identified team champions responsible for ensuring that all team-related data is continuously monitored.

As an example, given that the impact of WBA engagement activities is particularly broad, since it involves engagement with investors, governments, civil society organisations and Allies, the engagement team created the role of engagement tool business owner with the aim of ensuring that all such activities are regularly tracked. This is especially

**“What inspires me at WBA is the amount of care my colleagues have for each other, for the outside world and its future. Everyone coming to work with any personal challenges or with an intention to address a topic they care about, can freely speak knowing that they will be heard, allowed to act upon these topics and be supported throughout.”**

**Bruno Besek**  
Research Analyst



## Monitoring, evaluation and learning

important because engagement with stakeholders is the first sign of outcomes in WBA's ToC. To give another example, colleagues grouped together in a taskforce to make data collection systems more appealing to use for the rest of WBA's staff. It is hoped such efforts will lead to a more consistent tracking of our results.

Internal training also highlighted that some areas of WBA's ToC and RMF are difficult to comprehend for colleagues who were not directly involved in the review and thus need to be revised. On the other hand, other parts that are difficult to comprehend were intentionally kept broad. WBA operates in a dynamic environment where it is hard to attribute impact directly to individual activities. Therefore, broadly defining certain areas enables us to account for all activities contributing to our impact.

This is again especially noticeable in WBA engagement activities. For example, the number of companies included in our benchmarks that engage with us after the benchmark is published is an indicator of whether companies intend to change their behaviour. As there is a variety of ways companies can engage with us after the benchmark is published, such as requesting clarification through email (Digital Inclusion Benchmark), organising a call to provide feedback on the

benchmark (Seafood Stewardship Index) and asking for support in raising a topic with the company's HQ (Digital Inclusion Benchmark), WBA decided to keep the definition of the engagement as broad as possible. This enables the team to map different company responses to benchmarks and track what types of responses were most impactful in terms of companies changing their behaviour.

### WBA evaluation

To continue learning where we can improve our impact, we commissioned an external evaluator in the second half of 2020 to conduct the first evaluation of our activities to date. More information will be published on the WBA website and shared with Allies, the board and donors in early 2021.

Given the complexity of how WBA activities can impact companies, it has been encouraging to see that the structure of our revised ToC more clearly shows the link between WBA's aim to create impact and what this impact has actually been. This was confirmed by many Allies who reached out to learn about our ToC and MEL framework. Allies work in a similarly complex environment as WBA and face similar challenges in explaining their impact. However, talking to the WBA team about how



they communicate impact either reassured Allies that these communications are appropriate or helped them to see their impact in a new light.

### Relevance of MEL for impact in developing countries

A particular area of work in 2020 was extending and deepening our understanding of how WBA's engagement, benchmark methodologies and company selection could increase our impact in developing countries. To this end, in the first half of 2020, WBA created and published *The impact of multinationals in developing countries: A framework for benchmarking*. While all keystone companies in WBA benchmarks have an impact in developing countries, this project has enabled us to delve deeper into the range, scale and depth of impact, which varies by multinational company. For example, many companies headquartered in developed markets have significant footprints in other countries through extensive supply chains and product sales. With the help of the significant impact assessment tool, which was developed in parallel with the significant impact framework, WBA has been exploring which keystone companies have the most significant impact in developing countries in order to integrate this into our monitoring, evaluation and learning.

The significant impact assessment tool recognises that MNCs exert influence predominantly through operational presence, supply chains or sales and consumers. At the moment, 669 companies have been assessed on their impact in developing countries through their operational presence. The assessment concluded that 45% of those assessed (299 companies) have significant impact in developing countries. However, we believe this underestimates the depth of these impacts because of limitations in the availability of data. Even an assessment just of companies' operational presence proved to be a challenge because of data availability. To address this, WBA held an internal brainstorming session to discuss what alternative information could be used to determine the impact of companies across the three areas of influence. The session was also open to the external evaluator who evaluated WBA activities to date. The findings will be integrated into benchmarks in 2021. We are now looking to use the benchmarking process itself not only to gather more data on impact but to incentivise companies to make this information publicly available for all stakeholders. This work is helping WBA to better understand not just 'who' the major players are in the private sector but also 'how' their impact can be captured and improved the most through benchmarking.



## Research foundations: Building on the work of others

### SEVEN SYSTEMS TRANSFORMATIONS



Whenever WBA begins the research process, we always start by understanding how we can build on the work of others. During 2020, we stepped up our efforts to be complementary and additive to the work of our Allies, rather than duplicative.

Our methodologies aim to translate societal expectations, incorporating and building upon the expectations and views of multiple stakeholders, including science, civil society, investors and policy. Instrument mappings are first undertaken to identify existing globally agreed targets and goals based on best available science, principles and normative standards, corporate reporting frameworks as well as sector-, product- and issue-specific initiatives, such as existing corporate benchmarks.

For example, alongside the ground-breaking metrics created for our first **Digital Inclusion Benchmark** methodology, we also made a careful effort to reference relevant work by the Global Reporting Initiative (GRI) and align with indicators from the long-standing Ranking Digital Rights. Our final **Gender Benchmark** methodology made explicit reference to the UN Guiding Principles (UNGPs), Women's Empowerment Principles, GRI and ratings by Equileap, Bloomberg and many others. In our **Climate and Energy Benchmark**, we continue to use the ACT methodology developed by CDP with ADEME.



## Research foundations: Building on the work of others

The **Food and Agriculture Benchmark** has undertaken wide-ranging efforts over two years to build on the work of others. The team consulted with hundreds of stakeholders throughout the framework and methodology development phase. Consultations included multi-stakeholder round tables, including two farmer round tables in late 2019, multiple expert interviews as well as a number of consultation meetings with the Expert Review Committee. The methodology was co-created through an iterative process with the Food Foundation and Fixing the Business of Food, a joint initiative by the Sustainable Development Solutions Network, the Barilla Center for Food & Nutrition Foundation, the Columbia Center on Sustainable Investment and Santa Chiara Lab – University of Siena, with whom WBA worked throughout 2020. Alongside the hundreds of organisations involved, the benchmark

*directly* drew on the work of at least 30 Allies when it came to the actual phrasing used in the indicators. Allies such as the Access to Nutrition Index, the Accountability Framework initiative and CDP thus directly helped to shape the methodology. This enabled us to articulate to keystone companies and other users how our work complements existing initiatives while filling a gap in articulating the transformation needed across a system to achieve the SDGs.



By **Richard Hardymont**,  
Research Director





## Putting people at the heart of all transformations

2020 was a year of huge social upheaval. The BLM movement shone a light on systemic racism and historic discrimination that have resulted in entrenched inequalities. In addition, the COVID-19 pandemic brought into sharp focus the fragility of our economies, the need for government intervention in markets and the way negative impacts tend to hit those with the least the hardest. For investors in particular, the 'S' in ESG (environmental, social and governance) criteria was finally given more prominence, no doubt helped by the growing recognition that any sort of meaningful low-carbon transformation has to be a 'just transition' that brings people with it. Social is still a long way 'behind' environmental or governance issues, but our work last year on the social transformation aims to improve this.

While COVID-19, BLM and the growing climate crisis may have 'woken up' some people to the problems, none of the issues, like systematic inequality, are new. As such, many of the methods and tools to deal with these issues have already been thought of, enabling us to build a social transformation framework grounded in pre-existing norms and approaches. There will likely be more pandemics and more social justice movements. However, we recognised that the fundamental drivers of inequality need to be addressed to push forward the social



“It is an absolute pleasure working for WBA. There is a deep sense of purpose and mission across the organisation and it is very meaningful to see our work translate into positive impact on digital rights, digital inclusion and sustainable development.”

**Lourdes Montenegro**  
Digital Transformation Lead

transformation, allowing us to focus initially on the draft framework for universal expectations of companies, rather than regional or sector-specific issues.

2020 saw the development of the social transformation framework, turning the concept of the social transformation into tangible actions for WBA. Starting from the twin ideas that respect for human rights is fundamental to the SDGs and that all SDG2000 companies should be assessed on social aspects, we created a draft framework for the [scoping report](#). After consultation with a subset of key stakeholders, we launched the draft [methodology](#) for public consultation over the (northern) summer months.

### Developing the social framework

Apart from the launch webinars, we held 12 workshops (staggered across East Asian, European and American time zones), participated in five round tables hosted by third parties, had over 25 bilateral conversations on the draft methodology and received 20 pieces of written feedback. Over 80 different organisations participated in the consultation process. Our plan to hold in-person consultations in countries including Nigeria, Kenya, Malaysia and Chile was unfortunately cancelled because of the coronavirus pandemic. While we were pleased with the number of stakeholders involved, the reliance on digital sessions and virtual networks reduced our ability to connect with stakeholders in low-income countries. Where possible, we engaged with those we see as



‘legitimate actors’ who can represent multiple voices, such as Oxfam, the International Trade Union Confederation (ITUC) and CIVICUS. The social transformation framework is firmly grounded in international norms. However, we will need to do more to engage with stakeholders in developing and emerging markets, as COVID-19 meant we were not able to consult them during 2020 as we had envisioned (i.e. in-person sessions in various countries).

Parallel to the consultations, we piloted a set of draft indicators for the automotive manufacturing and digital sectors. The piloting helped identify where some indicators were ‘too robust’, i.e. everyone failed. It also helped assess the practicality of the indicators and the availability of data. All this was fed back into the indicator review. The piloting was conducted by WBA researchers, a third-party consultant and a team from the Columbia Center on Sustainable Investment. The disconnect between ‘social scores’ and the climate and energy decarbonisation scores highlighted the need to integrate social elements into a ‘just transition’ that leaves no one behind.

The lack of travel enabled more individual engagements and consultations. This, plus the workshopping of the indicators, meant we had significantly more feedback than anticipated. We summarised the feed-

back and our next steps in a 26,000-word [feedback report](#). Being publicly available, the report provides all stakeholders with a narrative explaining our decisions and where we chose not to incorporate some elements of feedback in favour of others.

The tail end of the year involved moving from the draft to the final version of the framework, ready for a January 2021 launch. Our final framework ensures all companies will be assessed on a consistent set of social indicators, which will be integrated into all transformation benchmarks. Catalytic issues, such as gender equality and business respect for human rights, will be the focus of spotlight benchmarks that cut across sectors and reinforce the social transformation. WBA’s focus for the social transformation is to incentivise companies to meet a series of key societal expectations that ensure no one is left behind in the transformations supporting the 2030 agenda for sustainable development.

### **Finding a balance**

In some respects, the whole of 2020 was a learning exercise as we figured out what shape the social transformation should take. Attempting to do this while a multitude of other actors were publishing new frameworks, aiming to achieve coherence or drawing attention to long-standing issues (e.g. racial inequality in North America), proved



difficult as both the environment we operate in and the way we view said issues shifted throughout the year. A key learning was not to chase after ‘the next big thing’ and instead to bring the conversation back to the core behaviours that are expected of all businesses if they are to contribute to a sustainable future for all. In doing so, we have been able to build an approach for the social transformation that cuts across all sectors and issues and does not elevate one topic (such as racial inequality) over another (gender identity).

In terms of systemic change, some may focus on ‘a few things that **some** companies **could** do’, whereas we have chosen to focus on ‘those things that **all** companies **should** do’ (respect human rights, provide and promote decent work, and act ethically). Our experience with previous benchmarks has shown us that most companies are not meeting societal expectations of responsible conduct, and this undermines the achievement of the SDGs. If the basics are not covered, then focusing on corporate advocacy is akin to judging a house by a new coat of paint while the foundations are crumbling. We have learned that for companies to contribute meaningfully to the SDG transformations and leave no one behind, they must put people at the heart of their models. Moreover, we must drive companies to behave responsibly by integrating societal expectations into all our benchmarks.

“WBA is an organisation that embodies foresight and flexibility. It allows you to grow by letting you work within your expertise while expanding your capabilities with experiences in other areas. WBA had perfected remote working options, long before other organisations were forced to consider it by the grand COVID-19 world reset. Working at WBA feels like a home-coming. The camaraderie and team spirit is second to none.”

Roselyn Kang'ara  
Research Analyst



## Our place in the broader environment

Being at such an early stage, our impact on company behaviour is premature. However, the positive reception of our proposed approach by key stakeholders, particularly the ITUC, the Sustainability Accounting Standards Board (SASB) and leading companies, is promising. As the only non-Indian organisation on the panel during the Confederation of Indian Industries Sustainability Summit, we discussed diversity, inclusion and the SDGs. We judged social and SDG impact categories

for Ethical Corp's 2020 Responsible Business Awards. Our approach was referenced in the Test of Corporate Purpose as a key initiative to watch. All these positive developments and increased interest from third parties reflect a recognition of our contribution and fit within the landscape of indexes and benchmarks. Detailed mapping of our final framework against initiatives including the GRI, Workforce Disclosure Initiative, OECD Guidelines and voluntary standards will further strengthen our position in 2021.

### KEEPING UP IN A RAPIDLY CHANGING LANDSCAPE

Developing the social methodology would have been a challenge in any year, but the upheaval in 2020 made it even more so. While baseline norms, such as respecting internationally agreed human rights, remained the same, we have had to keep pace with a proliferation of new initiatives as well as revisions to established initiatives. Examples include the methodology review of the Corporate Human Rights Benchmark; consultations on the GRI standards, with increased focus on human rights; research programmes to update the SASB's social capital framework; the finalisation of the World Economic Forum's common metrics; development of the United Nations Research Institute for Sustainable Development's sustainable development

performance indicators; launch of the UN Global Compact's SDG benchmarks; and updating the EU's non-financial reporting directive and the eventual social taxonomy. Fortunately, WBA has been engaged with all of these initiatives. At the same time, the BLM movement and the impacts of COVID-19 have changed public discourse and the focus of corporate social responsibility initiatives.

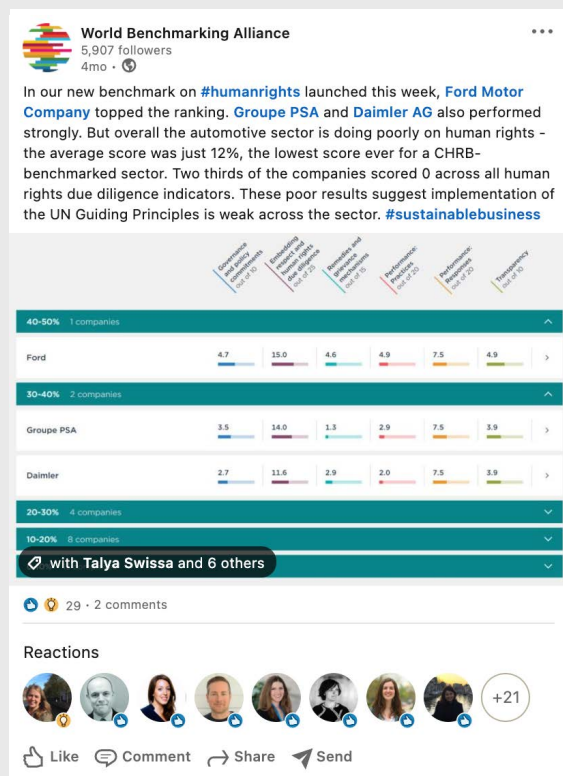
Our approach – to ground the social transformation in a universal assessment based on a well-established framework and indicators and pointing towards a series of high-level social expectations based on (relatively static) international norms and SDGs – helped us navigate the shifting landscape while remaining relevant.



## Corporate Human Rights Benchmark

### 2020 assessment

Alongside an extensive methodology review, the fourth iteration of the Corporate Human Rights Benchmark (CHRB) was published in November. It covered 229 companies from five sectors, namely agricultural products, apparel, extractives, electronics manufacturing and, for the first time, automotive manufacturing. The results were amplified through two launch events, the first one at the UN Forum on Business and Human Rights, co-hosted with the UN Working Group on Business and Human Rights. Being able to launch at the forum, in a joint event with such a recognised stakeholder in the business and human rights arena, gave us valuable exposure to a wide array of stakeholders whom we would not have reached through a bespoke WBA event. Being featured as the co-host of one of the official sessions shows the recognition that the CHRB is getting, after only a few years of publishing the benchmark. The second launch event took place a week later. It was co-hosted with the Investor Alliance for Human Rights and aimed at a more investor-focused audience. The different speakers involved provided commentary that was very supportive of the CHRB as an agent of change, and also complementary to the first session, going beyond the results themselves to look at how they are used by companies and investors.





With the 2020 assessment, we trialled some cross-analysis from two different benchmarks (Climate and Energy and CHRB) on the same group of companies (automotive) to gain new insights that would not be available by looking at different benchmark results in isolation. Despite the additional time spent by the research teams, this approach has increased the coherence of our work across benchmarks and

transformations and enriched the key findings on all sides. Through this exercise, we were also able to increase exposure of the Climate and Energy and CHRB benchmarks to each other's audiences, for example through media coverage, such as [coverage of the CHRB](#) in a climate change-focused outlet that would have initially been interested in the Climate and Energy Benchmark results.

### INVESTOR ACTION AND ENGAGEMENT

Engaging with investors has been at the core of the CHRB since its inception. In 2020, we saw some positive shifts in investor behaviour. In the first quarter, investors led some major collective action on human rights due diligence. A group of 176 investors collectively worth over USD 4.5 trillion co-signed a letter that was sent to the 95 companies that scored 0 on human rights due diligence in the 2019 CHRB assessment. The letter urged them to improve rapidly – in time for progress to show in the next benchmark. What is particularly noteworthy is that this group of investors came together specifically for this engagement, as opposed to relying on a pre-existing investor coalition. The initiative received a lot of interest and press coverage, including articles in the [Financial Times](#) and [Responsible Investor](#).

As this collective action reflects the type of response we hope to see from investors, we hosted a training session on the CHRB results for the BlackRock Investment Stewardship team, at their request. The purpose of the session was to provide an overview of the CHRB framework, latest results as well as guidance on where to find and how to use the results. We were also approached by the Interfaith Center on Corporate Responsibility, which informed us that it was looking to include the CHRB's overall scores for evaluated companies on Shareholder Exchange, the online engagement platform used by its members, who comprise over 300 global faith- and value-based institutional investors representing more than USD 500 billion in managed assets.



## COVID-19 response study

Companies have a responsibility to respect the rights of workers and other stakeholders in their operations and across their supply chains at all times. Fulfilling this responsibility is more essential than ever in the context of the COVID-19 crisis, especially where the most vulnerable workers and communities are concerned.

This is why WBA decided to supplement the 2020 CHRB assessment with a separate study. This considers how the same 229 companies have been impacted by, and have responded to, the increased human rights risks and impacts associated with the COVID-19 crisis.

By carrying out this separate study, WBA wanted to explore the response of the private sector to COVID-19. The aim was to identify examples of best practice, where companies have demonstrably placed respect for human rights at the heart of their approach as well as to highlight instances where companies may have fallen short and, therefore, where increased accountability is needed.

The credibility that the CHRB has built over the years put us in a good position to undertake this sort of bespoke assessment. This became apparent through our engagement with companies but also other

stakeholders, such as investors, who were looking for a credible and recognised source to understand the quality of the private sector's response to the pandemic. The assessment criteria we used drew heavily on the CHRB methodology, which allowed us to leverage the recognition that the CHRB receives. Another takeaway from the COVID-19 study was, therefore, to rely on existing methodologies, processes and approaches as much as possible when we embark on new projects, to build on our strengths and use our voice in a meaningful and constructive manner.

## Country snapshots

Since 2019, the CHRB has provided advice and support to third parties (university researchers, consultants and others) who assess companies using the CHRB's 'core UNGP methodology' to develop a picture of how effective companies have been in implementing the UN Guiding Principles on Business and Human Rights in their business operations. This work is an important complement to the CHRB results, as it expands the scope of companies assessed beyond just those on the CHRB list. Five snapshots were undertaken in 2020, each focusing on companies operating in Ireland, Finland, Denmark, Belgium and Scotland. The snapshots assessed a total of approximately 210 companies, with sample sizes varying between 20 and 78 companies.



- Danish snapshot: Carried out by the Danish Institute for Human Rights (DIHR) and involving 20 Danish companies. The results were presented at a conference co-hosted by the DIHR, UN Global Compact and other Danish trade and human rights organisations. The purpose of the conference was to explore the role of regulation in advancing human rights and environmental due diligence in a Danish and EU context. Speakers included Heidi Hautala, Vice President and Chair of the Responsible Business Conduct Working Group, European Parliament. More information is available [here](#).
  - Irish snapshot (2.0): Carried out by Trinity Business School for the second year in a row and involving 60 Irish companies. The results were presented during an online event with keynote speeches from Simon Coveney, Minister for Foreign Affairs and Defence, and Simon McKeever, CEO of the Irish Exporters Association. More information is available [here](#).
- Business association WBCSD also used the CHRB indicators to assess all its members in 2020. It will not be publishing company results but presented key findings during the 2020 CHRB launch session at the UN Forum on Business and Human Rights.

**“I’m proud to work for an organisation that is at the forefront of driving transformative change within the private sector in order to create a sustainable future that leaves no one behind. Working at the World Benchmarking Alliance provides me with an opportunity to pursue my passion for ensuring that human rights are at the core of corporate sustainability action through engaging in meaningful work that will have a long-term positive impact on our society, planet and economy.”**

**Shamistha Selvaratnam**  
Gender Lead



The creation of these additional datasets also presents a rich opportunity for collective analysis, particularly with the launch of the UN Working Group on Business and Human Rights' project 'UNGPs10+/NextdecadeBHR', which seeks to 'develop an ambitious vision and road map for implementing the UNGPs more widely and more broadly between now and 2030'.

### RIO TINTO CASE

In July, a group of civil society organisations and community representatives sent an open letter to the CHRB requesting that mining group Rio Tinto be suspended from the benchmark as a result of the destruction of a 46,000-year-old Aboriginal heritage site in Australia. This was a difficult situation to navigate, given the high level of mediatisation of the event, the severity of the incident, Rio Tinto's high ranking in the 2019 benchmark and the threat that all of this presented to the credibility of the CHRB and WBA. The fact that the CHRB was so actively encouraged to suspend Rio Tinto, as well as the number of mentions this generated, is also testament to the profile and recognition from which the CHRB now benefits.

The team agreed not to rush into a decision and, instead, consulted

a number of partners and local stakeholders – including the authors of the letter and representatives from Rio Tinto – in order to find a fair and balanced solution. In the end, we opted not to remove Rio Tinto from the benchmark retrospectively, on the basis that the assessment is a snapshot in time and that we cannot hold companies accountable once they are removed from the benchmark. Instead, we decided to append a statement on our website wherever Rio Tinto's name and/or score appeared. The statement can be read [here](#). This turned out to be a good decision as the attention quickly went back to holding Rio Tinto accountable for its actions, something that was supported by WBA's public statement. It was also a useful learning experience, which emphasised the importance of consulting different stakeholders in order to reach a more nuanced decision, especially in situations that are highly sensitive and emotional.





A custom illustration created for the gender baseline report

## Gender Benchmark

### Impact of COVID-19 on the garment industry

The apparel industry has taken a particularly significant hit from the COVID-19 crisis. After much consideration and discussion with our target companies, we decided to modify the overall timeline of the Gender Benchmark due to the challenges posed by COVID-19 globally, particularly to global apparel companies distracted by immediate needs (especially in their supply chains). We believed this appropriately acknowledged the current reality, while also offering the opportunity to further strengthen our relationships with target companies, who have generally very much appreciated the additional time and space to deliver the information required to be fully assessed in a full Gender Benchmark. We felt that we could continue the momentum by publishing Baseline Report focused on gender disclosure (relying only on publicly information) that does not over-burden companies with an immediate reporting burden but also shares compelling insights that encourage further action.

### Changing strategy - engagement in the face of rapid change

The [gender baseline report](#) was launched on the sidelines of the UN General Assembly at an event co-hosted with the UN Foundation. The



launch focused on how we can make invisible women visible so that no one is left behind in the Decade of Action on the SDGs.

As we had hoped, the process of developing the baseline report provided us with an opportunity to strengthen our relationships with companies. Leading up to and following the launch of the report, we engaged with 67% of the companies included in the report on their gender efforts. This is a very high number, given that we decided not to prepare a benchmark in 2020 in order to reduce the reporting burden on companies. The level of engagement illustrates the effectiveness of the strategy – assessing companies based on publicly available information and giving them the opportunity to provide information to support our assessment as well as framing the assessment as an initial baseline study (to be followed by a benchmark assessing progress in 2021). Companies were interested in learning about good practices that we had identified so that they could kick-start discussions internally on how they could improve their gender practices. One company stated:

**“We have much work ahead of us thanks to the report as well – but I do think it is critical that we get consistent information with common language out there so that we as companies can move in one direction.”**

The launch of the baseline report provided us with opportunities to socialise our work, including our methodology, with key stakeholders. We spoke with investors who are using our individual company profiles to inform their engagement with these companies. One investor used our company profiles to inform its engagement with the target companies on how they can improve their practices in order to drive gender equality. We also spoke with civil society organisations that are interested in using our Gender Benchmark methodology to assess companies in sectors other than apparel. We continued to engage with key actors who will help position our gender work and WBA as credible and valuable. This included the GenderSmart investing community, for whom we recently moderated a webinar on gender data with over 100 participants. We will continue to learn about the needs of gender-smart investors and how our data could be useful as well as keeping our work ‘top of mind’ with them. We also made a set of policy recommendations to the UN based on our key findings.



## **INCLUDING THE VOICES OF WOMEN GARMENT WORKERS IN TIMES OF COVID-19**

Reaching women workers in the garment supply chain who are impacted by the actions of apparel companies was particularly difficult in 2020 with travel being restricted because of COVID-19.

We welcomed Good Business Lab, an Indian NGO, into our Alliance and started exploring how we can engage women garment workers to ensure their needs are reflected in our Gender Benchmark. The project was kicked off towards the end of the year, and the aim is to interview 40 women workers based in India. This group includes migrant and local, rural and urban workers.

At the same time, we kicked off a related project with GIZ's FABRIC initiative to engage with women workers through existing connections

in apparel factories across Asia. We interviewed a union representative in Cambodia, which revealed the barriers that women workers face when raising grievances, including fear of retaliation from their employers, and the health and safety needs of women, including access to clean water and soap as well as training on maternal health. We also learned that the lack of access to masks and hand sanitiser in factories during the COVID-19 pandemic led to a higher risk of the virus spreading. This impacted the ability of factories to continue operating, as a result of which many workers are losing their jobs.

The insights gathered from the Good Business Lab and FABRIC initiative will be used to prioritise the topics and issues that are important to women workers in the final methodology. It will also provide us with an opportunity to amplify the voices of women workers who are too often unheard.





## Personal narrative

**Shamistha Selvaratnam**  
Gender Lead

2020 brought several unforeseen changes for many of us. For me, the year was filled with growth, challenges and learnings. I started off the year as a research analyst in the gender team and finished the year leading our gender engagement efforts. In mid-2020, our gender engagement and research leads both left the organisation temporarily shortly before the launch of the baseline report. With two key members stepping away from the team, those who remained had to step up to ensure that we not only published the baseline report but also achieved the impact we had set out to achieve. While I was initially cautious to transition from working in the research team to working in the engagement team, reflecting back, I am proud of my ability to embrace change and new opportunities, and to step out of my comfort zone.

While I would like to say that the transition was smooth sailing, it was filled with ups and downs, moments of triumph but also moments of self-doubt. Through this process, I learned to lead with vulnerability. I learned to acknowledge my own boundaries and lean on others to guide me in areas where I did not have expertise. Shifting from the research team to the engagement team brought about a flurry of new experiences for me, including being interviewed by a journalist in relation to the baseline report publication. Acknowledging that this was my first media interview, I sought out the expertise of our Media Lead, Blanca, who selflessly spent time helping me prepare and answering my every question so that I could walk into the interview feeling confident. I also learned to acknowledge any uncertainties that I had with my teams so that we could plan our next steps together. Not only did this allow us to work better together as a team, it also ensured that we kept the bigger picture in mind, which was the impact that we wanted to have through our baseline report.

Above all, I learned of the strength and resilience of our WBA team and our ability to thrive through change.





## Launch of the baseline assessment

The emergence of COVID-19 made the need for food system transformation, including halting environmental degradation and advancing food security and equitable livelihoods, ever more apparent in 2020. Rather than developing indicators to explicitly track short-term corporate responses, our methodology and indicators address the key actions needed for companies to build back better. The methodology development process and positive exposure we received in 2020 allowed us to position the Food and Agriculture Benchmark as the overarching accountability mechanism to track corporate progress towards food systems transformation. In December, we launched the key findings of our baseline research, assessing the 350 food and agriculture companies in scope on whether they are 'on track' for food system transformation. As a prelude to our first full benchmark, the purpose of the baseline assessment was to provide a snapshot of where companies are setting targets and making commitments in relation to issues across the food system transformation agenda. As well as publishing company overviews, which assessed the level of commitment each company was making, we identified four key findings, the first one giving an overview of company commitment levels and the other three offering insight into the three research dimensions of nutrition, environment and social inclusion.



The launch event attracted more than 500 registered participants and nearly 200 who joined us on the day. All the panel speakers, including Dr Agnes Kalibata, UN Special Envoy to the 2021 Food Systems Summit, who gave the keynote address, confirmed the important role of benchmarks as a powerful accountability mechanism and demonstrated ways in which they apply them in their work. Notably, Rabobank announced that it will include our metrics in its sustainability-linked loan key performance indicators.

We have already seen the enormous value-add of the baseline assessment in building credibility and strengthening our engagement with companies and stakeholders. Our findings not only give us something concrete to bring to the discussion, but they also provide insight into what kind of data our benchmark will produce. For instance, our finding that no retail company has a comprehensive level of commitment to nutrition was quite shocking and encouraged stakeholders to reach out to us and delve deeper into our data. This has also led to blog

### **MONITORING AND EVALUATING IMPACT THROUGH REGIONAL FOOD AND AGRICULTURE SUPPLY CHAINS**

In 2020, WBA received funding from the IKEA Foundation to support the development of the Food and Agriculture Benchmark. Additional funding was provided to undertake a three-year monitoring and evaluation project focusing on the impact that selected keystone companies have through their value and supply chains in East Africa and South and South-east Asia. To do this, we will use the research process for the baseline assessment and full benchmark in 2021 to identify 30 companies with the biggest spheres of influence across the two regions and identify their respective supply chain partners.

An evaluation framework will be developed, deriving topics from the benchmark methodology, based on which WBA will assess the correlation between benchmark performance and the measurable impact of companies across the two regions. Most importantly, the project will ensure regional perspectives are incorporated alongside those of companies, by engaging directly with the supply chain partners we identify. We started the project by reaching out to several WBA Allies to get a better understanding of pressing issues within regional supply and value chains – linking these to our methodology – as well as gain insights into how to close the data gap in terms of a lack of company disclosure and transparency and gather input on how best to identify and engage with regional partners.



pieces and opened avenues for collaboration with business platforms such as the Consumer Goods Forum and Grow Asia.

## **Launch of the draft methodology report**

Following the launch of the benchmark's framework at the UN High-level Political Forum in July, we translated the identified research topics into measurable indicators assessing the action and performance of companies and published the draft methodology in December. We engaged with various stakeholders for the development of the draft methodology, such as the Food Foundation, Fixing the Business of Food, a joint initiative by the Sustainable Development Solutions Network, the Barilla Center for Food & Nutrition Foundation, the Columbia Center on Sustainable Investment and Santa Chiara Lab – University of Siena, as well as the Access to Nutrition Initiative and many others. Moreover, the multi-stakeholder Expert Review Committee continued to meet throughout 2020 to provide strategic guidance, recommendations and advice on the scope, structure, content and methodology of the benchmark.

As a result of these consultations and expert conversations and the findings from the baseline assessment, some topics were merged into one indicator while others were split up. We also added a new measure-

ment area, on governance and strategy, to the existing three thematic measurement areas of nutrition, environment and social inclusion. This addition was made to reflect the need to assess the 350 companies on their corporate strategies and business models for sustainable development objectives and targets. Being sector-agnostic, and based on the first benchmark, the indicators within these measurement areas could potentially also be applied to other WBA benchmarks in the future. These changes resulted in 45 draft indicators in total, including the 18 core social indicators. From the date of publication until the end of January, all stakeholders had the opportunity to respond to the consultation questions we formulated and presented in the draft methodology report and to provide general feedback.

## **Farmers' coalition**

Being at the forefront of the change we need to see and the first step in the value chain, farmers have a crucial voice in defining what needs to be done to achieve healthy, sustainable and equitable food systems. In light of the COVID-19 pandemic, it is even more vital that we engage with farmers and their related networks to understand how this pandemic has affected their production and livelihoods, and to explore what business measures are being taken to mitigate economic impact and ensure farmers' inclusion in value chains. As travel was limited in



2020, WBA formalised a farmers' coalition as a subset of the Alliance, by inviting farmer associations to join the Alliance. It is our ambition to work with farmers to explore how to use the current momentum to amplify the social dimension and ensure that life post-pandemic is not just going 'back to normal'. This required us to rethink how we engage with farmer groups, since in-person meetings in a regional setting were not possible. WBA has been and will continue to explore this with farmer federations.

Farmer organisations that we have collaborated with in recent years were actively approached and invited to become part of this coalition. A challenge is to ensure that the coalition becomes a key resource in benchmark development, going beyond only organising round table

meetings. So far, the Nepal Agricultural Co-Operative Central Federation has joined the Alliance and conversations have commenced with, among others, Agriterro (the Netherlands), SACAU (South Africa) and the World Farmers' Organisation (WFO). We have three main ambitions for our collaboration with farmers and farmer associations. The first is for farmers to have direct input on methodologies and approach so that their expectations are reflected. This includes input on the indicator that measures business support for farmer productivity and resilience, but also for farmers to give further insight on corporate influence across the topics in our benchmark and to deep dive into priority issues such as regenerative agriculture and youth employment. The second is to connect farmers to the private sector, with WBA acting as a bridge for farmers to raise the challenges they are experiencing.

**“Rigorous research, collaboration, transparency: values which underpin our mission at Good Business Lab, values which underpin the mission of WBA, and, ultimately, values which are required to solve some of the biggest challenges facing our world.”**

**Good Business Lab**



## Seafood Stewardship Index

### Engagement snapshots

After the launch of the Seafood Stewardship Index in October 2019, the work on improving the next iteration of the benchmark methodology began. A large part of this included ongoing conversations with the companies benchmarked to understand how they used or intend to use the benchmark results to advance their sustainability work. The response was mixed, but overall companies used the benchmark to better understand stakeholder expectations, learn about best practices from other companies, plan for future sustainability projects, bring sustainability to the attention of the board and (for companies that ranked highly) promote their sustainability work with various stakeholders. For example, one company hired an external consultant to analyse the company assessment in the benchmark to identify key areas for improvement. Based on the analysis, the consultant also gave advice on how the company could improve its sustainability work.

All Japanese companies provided positive feedback and said they used the results of the benchmark to identify gaps in their sustainability work and attract attention from their boards.





In addition to company engagements, WBA also had conversations with a number of NGOs, including the Conservation Alliance for Seafood Solutions (of which WBA is a member), Seafood Legacy, Global Tuna Alliance, Oxfam, the Global Dialogue on Seafood Traceability, FishWise and SeaBOS. These conversations resulted in FishWise and Seafood Legacy joining the Alliance. Together with Seafood Legacy and Oxfam, also a WBA Ally, WBA started to prepare for two outreach sessions during the Tokyo Sustainable Seafood Symposium in November 2020. The Seafood Stewardship Index team was also invited to present the benchmark results during a webinar organised by the Conservation Alliance for Seafood Solutions, which allowed us to further socialise the benchmark among North American civil society organisations that work closely with seafood buyers and suppliers.

We also saw interest from companies not included in the benchmark but for whom the benchmark has proved highly relevant. Chilean company Salmenes Camanchaca reached out to us to enquire about its inclusion in the second iteration of the Seafood Stewardship Index. As WBA applies very specific inclusion criteria for its benchmarks, not all companies are eligible. However, there are many ways in which non-benchmarked companies can learn from the results of the 30 companies in scope.

### **Launch of the draft revised methodology report**

Based on the first version of the methodology, the revision process drew on feedback received from various experts, stakeholders, companies, our Expert Review Committee as well as internal learnings from the first benchmark. Moreover, the revisions to the methodology took into account new seafood initiatives, standards and guidelines that have been either released or updated since the first methodology was developed. Our process has ongoing, continuous stakeholder engagement as an integral part of it. The main changes are listed below.

- A simplification and streamlining of the methodology by reducing the number of management areas (from five to four) and the number of indicators (60 to 49, as of 31 December 2020). This further reduced overlap between indicators.
- Alignment with WBA's newly developed Food and Agriculture Benchmark and core social indicators to ensure consistency of expectations across benchmarks and identify topics where it is relevant for the Seafood Stewardship Index to go deeper.
- Revision of the company scope due to recent mergers and acquisitions and in line with the latest Top 100 Undercurrent News report published in October 2020.



The draft revised methodology was published on the WBA website in December 2020 (alongside the draft [Food and Agriculture Benchmark](#) and the [Access to Seeds revised methodology](#)) and a six-week public consultation was launched.

## SNAPSHOT OF JAPAN

The company snapshots and the speaking engagement at the Tokyo Sustainable Seafood Symposium in November 2020 revealed a growing interest from Japanese seafood companies as well as the Japanese investor community in using the Seafood Stewardship Index to advance sustainability in the Japanese seafood industry. Indeed, the Japanese government has strongly promoted the SDGs among the private sector, including seafood, as a new frame for sustainable economic development. Concretely, the Japanese companies interviewed explained that they actively used the results of the Seafood Stewardship Index to identify gaps in their sustainability strategies and create a road map for improvements, with some having already triggered the development of new policies and engagement with subsidiaries on topics such as traceability and human rights. How these efforts will be translated into improved performance will be revealed in the next iteration of the Seafood Stewardship Index, to be released in September 2021.

“Working at WBA fits me perfectly because the organisation echoes a principle I consider extremely important - inclusivity. WBA takes respect for diversity very seriously, and that is heartening to see. We have colleagues from more than 15 locations across the globe, and what WBA does in a very natural way is to make every single person, no matter what their background is, feel absolutely valued for what they are, and the expertise they bring to the table.”

**Aparna Trichur**

Communications and Allies Lead



## Access to Seeds Index

### Regional landscaping report for South and South-east Asia

During the fourth quarter, the Access to Seeds Index published the updated landscaping report for South and South-east Asia (SSEA) during the APSA Virtual Technical Session 2020. The report provides an overview of the seed sector in the region. It summarises the region's main crops, the enabling environment, observations on the 2019 SSEA Access to Seeds Index results and recent events affecting seed sector development, notably the COVID-19 pandemic. The virtual technical event was organised by the APSA Standing Committee on International Trade and Quarantine, which collaborated with Seed World to host WBA at its Virtual Networking Table. With the support of and excellent coordination between WBA's communications team and the APSA team, the landscaping report was launched and presented to APSA's vast and targeted network, including seed companies, seed associations, civil society, academia and researchers from Asia, Australia, Europe and the United States.

We received a range of questions, including regarding qualifications and requirements for seed companies selected for the index. Having the scope of the 2021 SSEA index in the public domain at the time, in





addition to the landscaping report, was an advantage when it came to giving clear responses and provided an opportunity to refer the audience to the WBA website for our current publications. Through the chat box, we also connected with seed companies selected for the 2021 SSEA index and the interested companies that would like to be part of the index. We have added the interested seed companies to our contacts and will follow up by sharing the self-assessment tool for the 2021 index.

### **Scoping report and methodology**

The Access to Seeds Index received additional funding from the Dutch Ministry for Foreign Affairs in February to produce its third iteration in parallel with the Food and Agriculture Benchmark.

As part of the index cycle, we started the review of the 2019 methodology. We reviewed the scope of the index and measurement areas to develop an updated methodology for the third edition of the index launching in 2021. We received useful feedback from companies at various industry events in 2019 and 2020, which informed the revision of the methodology. Companies suggested data collection improvements with a request to receive the questionnaire in advance. It is not possible to publish the questionnaire before the survey period for the

2021 index because of the tight timelines for the methodology review process. However, unlike the 2019 edition, the index methodology now includes 'elements' for each indicator, showing what the index will assess selected companies against for the respective indicator.

In 2020, we simplified the methodology. Notably, the approach to categorising indicators in each measurement area into 'commitment', 'performance', 'transparency' and 'leadership' was removed because of its complexity. Removing indicator categories was the main driver of the reduction of up to 20 indicators.

In addition, a sharper focus in the measurement areas and fewer indicators resulted in two measurement areas – genetic resources and intellectual property – being combined. This approach was applied to all measurement areas to sharpen the language and focus of each measurement area and reduce the number indicators.

To level the playing field for the smaller companies in the index scope with less or no external exposure compared to the large globally operating companies, we will accept information that companies have not yet published publicly. However, the option to provide information under a non-disclosure agreement will no longer be available.



## **BARRIERS TO ENGAGING WITH COMPANIES**

During the third quarter, we focused on completing the research scope, which defines countries, crops and companies considered, to ensure a fair and meaningful analysis. The index primarily focuses on low- and middle-income countries aligned with WBA's framework for assessing impact in developing countries. The 2021 geographic scope will be similar to the 2019 index, with the exception of Malaysia's addition to the SSEA index scope, as per experts' feedback. We decided that maintaining the geographic range would facilitate comparability and measure the industry's approaches in these regions and countries.

The challenge of engaging on the index scope was acquiring updated company contacts as a result of governance structure changes following industry integration (mergers and acquisitions). There was a low response rate from company contacts for both the 2019 index companies and the newly selected companies in all three regions. Another major challenge was assessing the reaction to the proposal

to include seed-producing cooperatives in Western and Central Africa. More engagement efforts are needed in this region since there was no response from any of the cooperatives before 2020. In 2021, engagement efforts will go beyond emails to include other communications channels such as telephone calls and WhatsApp, which are more accessible for the majority of companies in both Eastern and Southern Africa and Western and Central Africa.

We learned there is a missing link with some members of the regional Expert Review Committee (ERC), which was reflected in the low response to the scope of the index and changes to the measurement areas. There was no response from any of the Eastern Africa ERC members and only a few responses from the Southern Africa ERC members. The same applied to Western and Central Africa, where there was a minimal response from the ERC members but close collaboration with the Western and Central Africa regional consultant. In 2021, engagement will focus on strengthening the regional ERC voices for interested members.





## Benchmark launch and initial impact

WBA's **digital inclusion** transformation work focuses on getting digital technology companies to embrace their responsibility to foster inclusion and trust in the digital economy, thus enabling sustainable development. The Digital Inclusion Benchmark, the first-of-a-kind global corporate ranking, is a key tool in achieving this goal. By 2023, it will measure how the 200 most influential digital technology companies contribute towards digital inclusion across four measurement areas: improving access, enhancing skills, building trust to foster beneficial use, and innovating openly, inclusively and ethically. The benchmark was first released in December 2020, covering 100 of the most influential companies across the digital sector, including hardware, telecommunications and software and IT services. The results show an alarming lack of company action across many issues, especially child online protection, ethical use of artificial intelligence and gender diversity in research and development.

While the benchmark is currently in its early days, there are already promising instances of demonstrable impact. For example, WBA has been asked by non-benchmarked digital companies if they could adopt the benchmark's digital inclusion framework and its four measurement areas for their own reporting and internal planning. Investor stakeholders



have also announced their intention to prioritise the benchmark's results in their engagement with companies in their portfolio.

The majority of the benchmarked companies themselves have shown eagerness to participate in and use the benchmark as a mirror and guide for internal business transformation. Around 47 out of the 100 companies responded to WBA's survey, increasing transparency and disclosure on contributions towards digital inclusion and the SDGs. These companies included technology giants such as Apple, Microsoft, Tencent and Baidu, newer platforms such as Uber and China's JD.com as well as global and national telecommunications carriers such as Telefonica and the Philippine Long-Distance Telecommunications Company, among many others. For a complete list, see page 46 of the [synthesis report](#).

Company scores showed no size bias, encouraging smaller national and regional players to meaningfully compare their performance with the largest companies in the world. Smaller companies closer to their communities and markets could outperform global platforms. For example, Safaricom, a Kenyan telecommunications company, can demonstrate more efforts towards digital inclusion and SDGs than Facebook, one of the world's largest companies by market capitalisation.

This helps put pressure on and highlights the need for the biggest tech brands to step up their contribution.

## **Asia methodology launch**

The most important research milestone of a benchmark is finalising its methodology. Our Digital Inclusion Benchmark [methodology report](#) was released in April and outlined the rationale and expected company best practices for a set of 16 indicators under four measurement areas used to assess all companies in scope, regardless of industry category. The diversity of industries covered, from semiconductors to network providers and online platforms, made defining indicators that are applicable across all digital technology industries quite challenging. To overcome this challenge, the research team investigated ten company cases to understand feasible metrics and publicly available data sources.

Travel restrictions meant that our intended launch at the World Summit on the Information Society was changed into two free-standing virtual events. The second event was an Asia-focused conversation on digital inclusion and development, which saw participation of organisations from countries such as China, India, Japan, Singapore, Philippines, Vietnam, Sri Lanka, Pakistan, Bangladesh and Fiji. In particular, the Asia dialogue has opened more productive relationships with civil society from the region



and grew our engagement in the Global South. Virtual dialogues, however, remain a challenge in terms of maintaining high levels of interaction and deepening our relationships. Extra care is needed around designing the flow and facilitation to ensure impactful online conversations, and we found that these cannot perfectly substitute in-person meetings.

### **Successful engagement at the UN General Assembly**

One of the major engagement moments for us in 2020 was a UN General Assembly (UNGA) side event, which we organised together with the governments of the Netherlands and Ghana, titled **‘Investing in Inclusive Digital Transformation’**. This virtual round table was designed to bring together government and investor representatives to discuss ways both can leverage the Digital Inclusion Benchmark to enhance cooperation on digital inclusion. On the back of this session, leading investor Allies made public commitments to support the findings of the benchmark and engage companies in their portfolio to improve their performance on digital inclusion (see to recording [here](#)). The round table also provided a concrete opening to reach out to actors such as Deutsche Bank’s head of technology investment to offer a spot to intervene in the discussion and later follow up with an invitation to join the benchmark’s Expert Review Committee, to represent an investor perspective. Another

### **COMMUNICATION HIGHLIGHT**

#### **Reaching a new audience**

At the beginning of December, we launched our first-ever Digital Inclusion Benchmark. Of the 100 companies that were ranked, 36 had headquarters in Asia, with 20 in China alone. Given the strong presence of tech giants based in Asia, such as Samsung and Tencent, we decided to embark on a project that would customise our media and social media approach to a new audience that held influence in China. We created a press release for English-speaking media and one in Mandarin aimed at mainland China and Hong Kong publications. We secured 63 articles and reached China’s most read news outlets, notably Xinhua News and China Daily.

For the same reason, we also ran LinkedIn ads targeting relevant Asia-based professionals working in the tech industry, including employees working for the benchmarked companies. The results of the ads were promising, with at least 183 visits to the Digital Inclusion Benchmark ranking page and 28 new followers. Many of these new followers appeared to fit our targeted audience of professionals perfectly. A key learning for next time is that we need to identify and refine our target audience significantly, in consultation with teams across WBA, to boost the outreach and create maximum impact.



important outcome from the UNGA round table was the opportunity to demonstrate the important role for WBA's Digital Inclusion Benchmark in helping achieve the UN Secretary-General's Road Map on Digital Cooperation. The road map calls for stronger metrics on digital inclusion and increased investment and private sector efforts, all areas that the

benchmark is well positioned to help drive. All in all, the UNGA round table helped to kick-start WBA's work to build collective engagement activities with key Allies that leverage the benchmark findings to drive inclusive digital transformation.

## THE DIGITAL DIVIDE IN A VIRTUAL WORLD

As countries enforced social distancing measures to contain the COVID-19 pandemic, digital technologies became increasingly important in providing essential information and keeping economies afloat. At the same time, the pandemic also made the digital divide starker: as interactions moved increasingly online, those who remain digitally excluded were left behind, unable to benefit from online information and digital interactions. The COVID-19 crisis showed that the tech industry is very much a part of our social fabric and will be instrumental in building more resilient systems moving forward.

The Digital Inclusion Benchmark proved to be a good lens to assess where companies are playing their part and to better understand where they should be doing more. As the digital sector appears to be the least affected by the crisis, companies were pressed harder but provided with some leeway in the data collection timeline.

After careful consideration of the global context, WBA decided to continue with the planned debut of the Digital Inclusion Benchmark by early December.





## Personal narrative

**Jennifer van Beek**  
Research Analyst



**Samantha Ndiwalana**  
Research Analyst

If you are as interested in transforming how the private sector operates as we are, the [SDG2000](#) list is a gem. The revision of the list in 2020 was an exciting challenge, as it reflected developments in the wider socio-economic and business environment, such as COVID-19. We saw bankruptcies, mergers and the addition of new companies, such as Zoom, which have grown in both revenue and significance. The revision of the list was done using a systems-thinking approach and WBA's keystone criteria approach.

We worked directly with our colleagues who shared their knowledge of a particular transformation or industry to help us understand where changes needed to be made, and how to make those changes. Our mission is to build a sustainable future that works for everyone and, therefore, we strengthened our focus on developing countries. For example, the industry focus of the financial system transformation shifted to capture more institutions and keystone companies headquartered in the Global

South. Overall, the changes resulted in a 15% increase in the number of companies in sub-Saharan Africa, showing our ongoing commitment to ensuring global coverage. However, despite our focus on developing countries, we recognise that the SDG2000 still reflects a world economy that concentrates power in developed countries. We will continue to pay attention to this imbalance with every revision of the list.

Looking forward, we are starting to think about how we can take the SDG2000 further, to make it more than just a list. We are incorporating feedback from WBA on its vision for the SDG2000, what it finds interesting and where there are opportunities for collaboration. One opportunity is WBA's work on understanding impact. We can address the geographical imbalance in the list by tracking the impact of companies in developed and developing countries. Companies in developing countries have the opportunity to bring about positive change where it is most needed. These companies understand the local context and have local connections. For companies from developed countries, WBA is working on furthering the way we think and measure their impact in developing countries. This is particularly important when these companies operate globally across income levels or when they have supply chains in developing countries. As we re-evaluate the SDG2000 each year, it will become increasingly important to understand what impact looks like and how it can become positive and equally distributed.





## Transforming the financial system to contribute to the SDGs

2020 marked the start of the work on the financial system transformation, which focuses on the influence financial institutions can have in transforming the financial system to better contribute to the SDGs. The financial system transformation has 400 financial institutions in scope: asset owners, asset managers, insurance companies and banks. These institutions influence multiple industries, business models and impacts across the six other systems WBA has identified, so there are many different ways in which they can accelerate the contribution of the financial system to sustainable development. Through extensive consultations (see below), supplemented by 100 further conversations, we identified the following aim for the benchmark: to encourage leadership from financial institutions in accelerating the evolution and uptake of disclosure frameworks that can enhance accountability and incentivise action in meeting the SDGs.

At the end of the year, the scoping report was nearing completion, ready for publication in early 2021. The report highlights the systemic influence keystone actors can have, via three broad areas of impact: their organisational practices; market signalling; and capital allocation and financial products and services. It explores the potential for a global benchmark to incentivise financial institutions' use of and disclosure



against standardised frameworks based on global goals, some of which still need to be built. There are few corporate sustainability disclosure frameworks for assessing the progress of financial institutions specifically, and hardly any for measuring progress that use the denominator of the SDGs. The proposed benchmark can step into this gap, and in the methodology development we are exploring how it could amplify existing, aligned initiatives.

## **Seven regional consultations**

We held seven regional consultations to inform the scoping report, focusing on Asia-Pacific, Europe, India, Japan, sub-Saharan Africa, the United Kingdom and the United States. All consultations were organised with local partners to increase reach. We achieved our desired attendance of 30-40 participants for each, with a balanced mix of stakeholders. The consultations proved a good opportunity to reach many participants new to WBA across 19 countries, with 34% of participants based in developing countries. Encouragingly, despite many being new to WBA, the majority of participants had questions relating to the 'how' of the benchmark, rather than the 'what' or the 'why', which were broadly supported. There were concerns – particularly from participants in developing countries – of global comparison without regional context, and questions as to how we could meaningfully

compare different categories (e.g. bank to insurer to sovereign wealth fund), which we will explore in the methodology development.

## **Establishing the Expert Review Committee**

The consultations also helped us identify new members for the Expert Review Committee. By year end, we had confirmed seven members, seeking to balance experience across the financial categories and geographies in scope. Six of the seven are from and/or have significant experience in developing countries. This is critical as we continue to balance the dominance of the Global North in the financial system's decision makers against the system's impact on developing countries.

## **Cross-learning between different teams**

In 2020, the small financial system transformation team had to keep abreast of a great number of global developments (societal, regulatory and voluntary initiatives across multiple impact areas) because many impact or are impacted by the financial system. We started to explore how to maximise cross-learnings between benchmarks and the policy and institutional engagement teams, and how to use these to amplify rather than confuse our overall WBA messaging, in what is perceived as a very crowded field. We will continue to consider how we can hone this narrative as WBA prepares to launch multiple benchmark publications in 2021.





## Personal narrative

**Emilie Goodall**

Financial System Transformation Lead

My first day with colleagues in WBA's London office in March 2020 turned out also to be my last. If I'd known it would be my only 'professional' lunch of 2020, I might have suggested we go somewhere more exotic than the local Dutch pancake house – particularly as I'd recently returned from three years living in the Netherlands.

I was excited to start a new job leading the Financial system transformation – ready to bond with new colleagues, reconnect with my networks and spend more regular time with the family and friends that I'd so missed whilst living just across the channel.

A year on, I've met five of my colleagues in person, and then just once or twice. This is more than many have been able to do. And yet, we feel closely

connected. It starts with our mission, but it lives in the small things. The emojis and gifs. The check-in calls. The team days where we've taken virtual gong baths, discovered (virtually) colleagues' preferred local walks and donned fancy dress. I'm grateful for the big stuff, too – the prolific curation, turning data into insights that can be used to drive company engagement, somehow delivering everything we set out to do over 2020 against a backdrop of profound and unsettling change. Some juggled childcare and work (like me), others grappled with loneliness and isolation. Given our global workforce, many were moving between countries in a bid to find security and home. Some got sick. And all of us desperately missed and worried about loved ones.

These dramas, big and small, were unfolding all around the world. And yet, and in this and many other ways, I'm amongst the incredibly privileged during this maelstrom. My network has expanded on joining WBA. Significantly so. I'm finding many others who share a passion for accelerating the private sector's contribution to the SDGs, and who've willingly given their time and expertise to influence our thinking. In spite of, or perhaps galvanised by, the pandemic. For all of this, I'm profoundly grateful. It gives me grounds for optimism in 2021 and beyond.





## Policy engagement based on the Electric Utilities Benchmark

The [Electric Utilities Benchmark](#) showed that only four companies have set fully Paris-aligned emissions reduction targets; the targets of the remaining 46 were considered inadequate and not sufficiently ambitious. There was still a strong fossil fuel dependency, with 70% of the benchmarked companies already set to exceed their carbon budgets by 2033. Given that the political environment can be an important lever for change for electric utilities, we shared the European regional findings and a concept note on the Just Transition with Frans Timmermans' cabinet, which is leading the Green Deal Investment Plan in the European Commission. We will continue this dialogue in 2021 to determine how our findings can be used to inform the Green Deal. Together with our Ally Friends of the Earth Hong Kong, we handed in a policy submission to the Chinese government's 14th Five-Year Energy Planning consultation in which we urged mandatory emissions disclosure by companies. The submission was based on the benchmark performance data of electric utilities headquartered in China and guided by Friends of the Earth's local social, environmental and economic knowledge. In conjunction, we also initiated a round table series where we invite Chinese utilities and key market and public sector players to explore the need for low-carbon action by high-emitting companies, contextualise the influential role of business in decarbonisation and energy



transformation and build regionally influential stakeholder coalitions as drivers of corporate change.

## **A just transition is undermined by a disconnect between human rights and climate issues**

The Automotive Benchmark's [performance update](#) showed a lack of company alignment with a well-below 2-degree pathway as well. Of the 30 companies included in the performance update, eight report sufficiently clear vehicle in-use emissions reduction targets for assessment, with only five companies fully aligning with a well-below 2-degree pathway.

The results of the performance update were combined with the CHRB results for those companies, thereby initiating our just transition work. When comparing both assessments, [the results were alarming](#). Almost no correlation could be found between the companies' relative performance on either benchmark, suggesting a disconnect between their disclosures as well as their actions on climate and human rights issues. This lack of correlation suggests that many automotive manufacturers still consider climate and human rights as issues to be addressed independently of each other, despite the fact that they are increasingly recognised as interconnected.

## **Investor engagement**

The team was approached by Onbrane – a start-up, primary debt market platform – which was eager to use the Climate and Energy Benchmark to showcase to investors and other financial actors how high-emitting and influential companies are performing on the low-carbon transition. Onbrane believes the ACT assessment used in the Climate and Energy Benchmark provides a unique and comprehensive view of the readiness of companies to transition to a low-carbon economy. This has been backed up by Onbrane's recent conversations with companies active on its platform and that are in scope of the benchmark as well as a number of financial institutions and investors that consider the benchmark's assessment to be a useful, unique and refreshing addition alongside existing credit rating agencies and indexes. The platform was being demoed towards the end of 2020 and is due to go live in March 2021.

## **Deepening relationships with climate-focused Allies**

With the Alliance's continued growth, we needed to become more targeted in our messaging and deepen the relationship with climate-focused Allies so we could make better use of their and our network to create maximum impact. We focused in particular on building closer relationships with Allies in the United States and Asia, by hosting a



## Decarbonisation and energy transformation

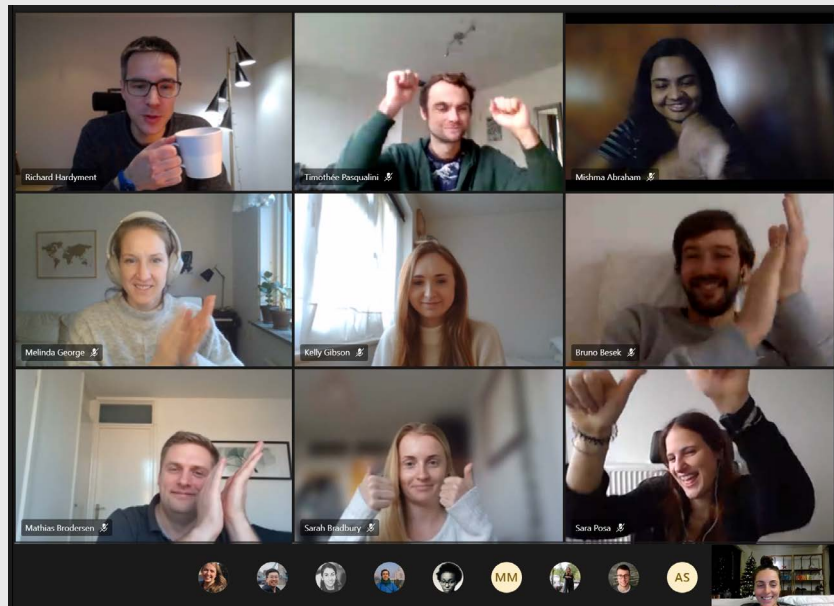
joint round table with SASB and working with Friends of the Earth Hong Kong for the Asia region.

Given that climate is a recurring theme in other transformations as well, we learned there is a need to establish a renewed climate narrative for how we work across transformations and make this more understandable to our stakeholders.

**“WBA is one of those rare organisations that fully recognises that its people are its most valuable resource. Purpose is embedded in the very core of what we do, and there’s a continual focus on learning and wholeness. I am always appreciative of the integrity with which we carry out our mission, our collaborative and supportive working environment, and our commitment to facilitating personal and professional growth.”**

**Pratik Desai**  
Strategic Engagement Lead





A happy team of researchers

## Launching the circular scoping study

In 2020, we finalised the [scoping study](#) for the circular transformation, aiming to benchmark 750 companies on their commitment to circular principles by 2023. The circular economy is a concept that has gained strong momentum lately, as researchers insist on the urgency to move away from a linear economy that generates extreme amounts of waste and exacerbates the climate crisis. However, the latest Circle Economy Gap report shows that less than 8.6% of the global economy can be considered circular, and the trend is downwards.

The scoping study highlighted the potential for transparency to propel the circular agenda forward, with a primary focus on the global fashion industry. Learnings from the fashion industry can be applied to other key industries such as the built environment and electronics. With rising interest in circularity from industry, commitment from companies as well as new research, the main research question for us was: to what extent has corporate disclosure followed? Between February and July 2020, the team conducted extensive background research and interviewed nearly 40 experts. Experts were drawn from circular consultancies, academia, corporations and civil society. The scoping report concluded:



- Circularity as a business concept and activity is in its infancy. While there has been a sharp rise in circular rhetoric and innovations, corporate practices are immature when it comes to assessing lifecycle socio-environmental impact. All companies and stakeholders have a lot to learn, including those leading the industry.
  - Greater transparency from the private sector is urgently needed to move circularity beyond words to concrete actions. Specific challenges identified in corporate disclosure were around data availability, standardisation and interpretation.
  - There is broad support across stakeholder groups to capture existing best practices and inspire action from others in the fashion industry by establishing a corporate benchmark. The priorities for such a public ranking are that it be granular and actionable yet remain achievable.
- We continued to engage with circular experts to gauge interest for establishing an Expert Review Committee and explore funding opportunities.

**“This Alliance encourages and commits us to continue opening the doors of hope for co-building new organizational cultures that be significant and value for common good and the environment. We hope to collaborate with the alliance and promote sustainable development in our country and Latin America.”**

**Proqualitas Consultores**





## Personal narrative

**Tim Pasqualini**  
Research Analyst

In late 2019, I was hoping to challenge myself professionally in 2020 and try to go beyond the responsibilities I have been enjoying since I became a research analyst at WBA. After working on benchmarks that already had a methodology in place (Access to Seeds Index and the Seafood Stewardship Index), I was eager to contribute to the foundations of an entirely new workstream – the circular transformation.

In February 2020, WBA's circular team, with the support of the Laudes Foundation, began investigating an ambitious topic: the role of the fashion industry in adopting disruptive and environmentally sound circular business models. Back then, it seemed clear that there was a personal

and organisation-wide learning curve on understanding both the ever-so complex impact of the global fashion industry and the potential for circular practices to address them. But a learning curve was precisely what I was seeking, and WBA needed to kick-start its circular transformation, so this was ideal!

As we all know, 2020 did not pan out as planned, but I am proud of the work we have done on the scoping study. In the end, it turned out to be more about working alone and remotely, patience as a virtue and countless video calls rather than in-person meetings, exciting conferences and teamwork in a friendly office setting.

As an extrovert, the 2020 challenge lay more in the new COVID-19 style of working than diving into the topics themselves. On a positive note, many experts and researchers had much more open calendars, and I had some great conversations that may not have been possible otherwise. Internally, WBA proved to be resilient and flexible, as colleagues were supportive and reactive when necessary.



The beginning of 2020 saw the ambitious effort to kick-start the Decade of Action that aims to accelerate progress towards the SDGs. We realised then that we had some serious work to do, given the nature of the challenge: a slowing global economy, stalling poverty reduction rates, increasing climate risks and broad inequalities – including gender inequality – within and among countries. This realisation came with a general recognition that bolder, more transformative approaches to tackling these interrelated challenges were needed, and with that, bold partnerships across sectors, including the private sector.

WBA laid out its intentions to assess and rank the world's 2,000 most influential companies on sustainability. We called this list of companies the '[SDG2000](#)' and launched it during the World Economic Forum's Annual Meeting in Davos, Switzerland, where the focus was on stakeholder capitalism. Our message of measuring business progress resonated with an audience sceptical of how companies can be held to account. Do they mean what they say and how will we know?

Our engagement strategy set out how we would enable invisible voices to become more visible in companies' strategies, operations and supply chains and how we could do this through the Alliance – a broad set of organisations committed to working in partnership to create a move-

ment for transparency and transformation. In 2020, we remained true to our multi-stakeholder strategy and collective approach, we welcomed new voices – our virtual Allies Assembly played a key role in this – and we held successful system-focused consultations, methodology webinars, policy round tables and benchmark launches, reaching a far greater number and more diverse set of stakeholders than ever before.

But we also had to adjust to a new normal, as we adapted our engagement and outreach. The content of the conversations, although focused on the potential of business to lead systems change while being held accountable through WBA's benchmarks, was also adjusted to accommodate the realities of COVID-19. The UN High-level Political Forum in July was squarely focused on the importance of the SDGs and Paris Agreement as a foundation for our collective response to and recovery from the pandemic, and the way in which the SDGs can continue to be our road map for building back better. But much of the discussion emphasised the risks that are mounting for the SDGs and the promise of a more sustainable and fairer world.

We heard clearly through our engagement with all our stakeholders – be it investors, businesses, civil society or governments – that the pandemic has created a new moment for all actors to step up



in response, to work together and differently (business as unusual) to ensure recovery opportunities for a more equal, prosperous and sustainable world are not squandered. Our engagement has played a key role in this through the evidence we gain from our benchmarks, and the role of rankings in enabling business to be a catalyst for the Decade of Action in a COVID-19 world. Our methodologies and benchmarks serve as road maps for companies on the steps they can take to meet the needs and expectations of their stakeholders, particularly the poor and marginalised living in developing countries and the ecosystems on which they depend. By holding those that fail to meet these needs to account, we contribute to keeping momentum on using business influence for good.



By **Pauliina Murphy**  
Engagement Director

**“The financial industry is intimately tied to the health of the ocean - industry-wide standards are important tools to measure impact and ensure a level playing field as we work with banks, insurers and investors towards achieving Sustainable Development Goal 14, ‘life below water.’ As standard-bearers for the Sustainable Blue Economy Finance Principles, we applaud WBA’s mission to develop transformative benchmarks, further enabling the finance sector to play a critical role in rebuilding ocean prosperity and restoring biodiversity.”**

**UNEP FI Sustainable Blue  
Economy Finance Initiative**





## The SDG2000 as an engagement tool

The year kicked off with the launch of the [SDG2000](#) during the World Economic Forum's Annual Meeting in Davos, where we held a multi-stakeholder round table to discuss the role of leadership and influence in driving action and accountability on the SDG agenda. The CEOs of all 2,000 companies were notified of their company's inclusion in the list and the next steps in the benchmarking journey. The SDG2000 proved to be a valuable tool for engagement throughout the year, both for WBA's benchmarks as well as for other stakeholders within WBA's networks (i.e. Allies, Ambassadors, government donors and others) to hold these companies accountable for their performance.

## Working with Allies to amplify our work

Our Alliance grew exponentially to 187 members across 28 countries, of which 11% are based in developing countries. The biggest growth was in the number of business platforms, civil society organisations and sustainability consultancies that became members, though we saw fewer financial institutions and investors join, beyond those that were already engaged with us in 2019. While we grew our developing country-based Allies to include several influential organisations in underrepresented



regions, this growth was lower than anticipated for a number of reasons, including our inability to engage with organisations in person as a result of COVID-19. Throughout 2021, we will focus on expanding our regional representation to ensure we remain inclusive by working with our existing Allies to make connections, hosting targeted regional convenings, continuing to align efforts across the organisation through an internal Globally Inclusive Engagement Working Group and building on initial efforts to elevate on-the-ground perspectives, such as the emerging farmers' coalition.

Given the many benchmark launches, particularly in the second half of the year, WBA's institutional engagement efforts focused on ensuring that our Allies were actively engaged in and empowered to support and amplify the launches. This included co-hosting 15 events with Allies, launching an 'Allies voices' blog series to facilitate storytelling and alignment among Allies, and featuring Allies and the Alliance at key global events such as the World Economic Forum's Annual Meeting, the High-level Political Forum, the UN General Assembly and the C20 Summit. Throughout the year, we saw many Allies begin to use WBA data in new and innovative ways to engage constituencies and drive forward institutional priorities. This included initiatives around:

- Company engagement: Friends of the Earth Hong Kong using regional findings from the Electric Utilities Benchmark to advocate improvements on climate-related performance from electric utilities in East Asia;
- Methodology development: the Sustainable Development Solutions Network feeding into the Food and Agriculture Benchmark methodology;
- Research: the Columbia Center on Sustainable Investing producing a report assessing the performance and associated trends of Chinese, Indian and Mexican companies based on three draft social indicators; and
- Policy: the Centre for Responsible Business collaborating with us to co-host our first Policy Collaborative Learning and Action Lab (CoLAB) focusing on the current ecosystem around the enabling environments for responsible business in India. With Friends of the Earth Hong Kong, WBA also submitted joint recommendations and suggestions to the Chinese government's 14th Five-Year Energy Planning consultation, using insights from WBA's Electric Utilities Benchmark.



## Institutional engagement

At the same time, we also saw challenges in how Allies engage with WBA, with more frequent questions from data platforms and consultancies about how best to leverage WBA data (i.e. methodologies, rankings and raw company data) for impact. While these conversations are ongoing and are expected to provide more clarity with the development of our collective engagement activities in 2021, we institutionalised

an approach to data sharing with the development of a Fair Use Donation policy, which encourages Allies or other organisations to provide WBA with a fair use monetary donation if WBA data is used for commercial purposes. This has already provided an additional layer of clarity and guidance for organisations in how they can work with us.

### COMMUNICATION HIGHLIGHT

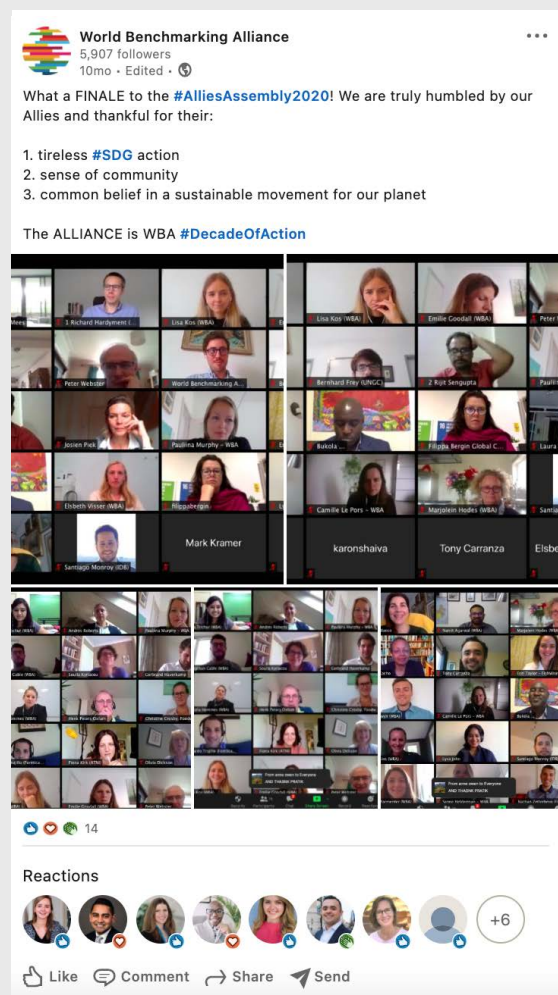
#### Launching the SDG2000

The launch of the SDG2000 during the World Economic Forum in Davos 2020 was an important moment for communications to set the tone and land our story. The launch reiterated that keeping our messaging simple was the right way to keep the attention span from stakeholders active. It became our window to say 'hello' to the world and communicate our core purpose and relevance to our audiences, with a main focus on CEOs and media.

To do this, the communications team worked closely with the directors and our external consultancies to build the narrative of our institutional

voice and identify the key messages. The press release and subsequent media interviews during Davos generated 12 print articles and 2 broadcast interviews reaching a potential audience of 150 million people. The SDG2000 launch was covered by publications: largely based in the UK, the Netherlands, Germany and Ireland, published in national papers, newswires, business and sustainability titles. This cross-team effort resulted in excellent coverage from the perspective of a Western audience. However, the very same results signalled the need for a shift in our thinking to create a more inclusive impact and paying heed to how we could potentially reach a global audience. Throughout the year, we began to integrate this insight into our work by augmenting our press & social media outreach to include regional/global publications and voices.





## Allies Assembly brings forward the need for community and movement building

Our second annual Allies Assembly, held via Zoom from 8–11 June, featured over 130 participants from more than 80 Ally organisations. Programming during the Assembly consisted of plenary sessions and concurrent workshops focused on the following topics: systems transformation, north-south cooperation, governments as good stewards, driving collective engagement and reinforcing WBA’s narrative. The Assembly also brought together a number of high-level speakers to outline the relevance of WBA’s work in broadening efforts to advance SDG progress. These included Diederik Samsom (Head of Cabinet for Frans Timmerman, Executive Vice-President for the European Green Deal), Sharan Burrow (General Secretary for the International Trade Union Confederation) and Dr Agnes Kalibata, the UN Secretary-General’s Special Envoy to the 2021 Food Systems Summit. Inputs from the Assembly informed WBA’s engagement with Allies throughout the rest of 2020. The Assembly also brought forward a need to focus on collective engagement and systems thinking, greater Global South representation and the use of benchmarks to inform public policy interventions.



The Assembly also highlighted Allies' desire for additional opportunities to build and foster community, including through intra-Alliance collaboration and partnerships. To facilitate this, we launched an Allies-only LinkedIn group to allow Allies to better share information, exchange best practices and lessons learned and identify opportunities for collaboration. This has already been helpful in contributing to an Alliance that operates more organically.

### Unlocking WBA's potential through collective engagement

To unlock the true potential of WBA's data and rankings, WBA started designing and creating a framework to facilitate cross-stakeholder

action, initially focusing on the food and agriculture, social and digital inclusion transformations. These coalitions are intended to stimulate and coordinate collective engagement, based around WBA's data and rankings. To incentivise the needed systems changes, as many stakeholders as possible will need to use WBA's publicly available benchmark data to exert influence on business behaviour. This is when benchmarks become an effective engagement tool to promote a race to the top and hold laggards accountable. In 2020, we began to lay the groundwork for collective engagement activities with key Allies by establishing clear timelines, targets and objectives for outreach. We will launch the framework for these engagements in mid-2021, with plans to launch transformation-specific coalitions throughout the year, aligned with benchmark launches.

**“Collaboration is key to solving today's global health and sustainability challenges. The CGF is joining WBA as an Ally to help broaden the regional representation and expertise on key topics and to help build a truly global movement alongside the work of our Coalitions of Action.”**

**The Consumer Goods Forum**

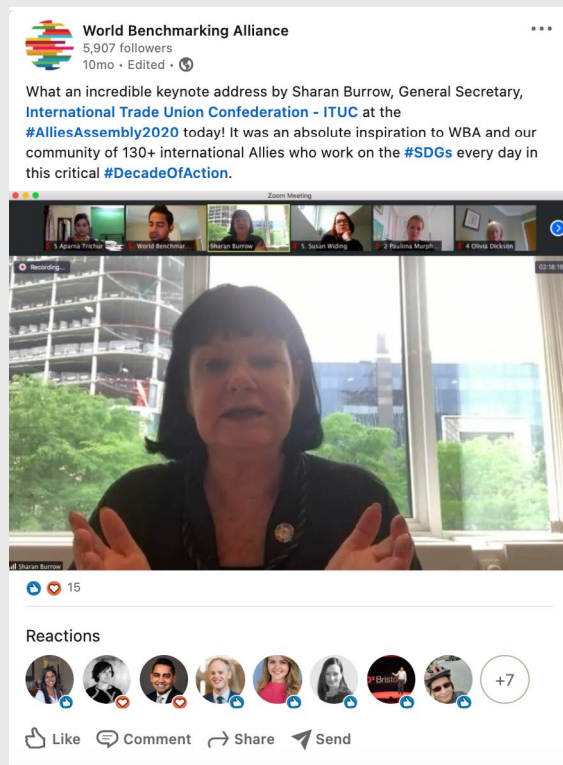


## A growing pool of Ambassadors advocating WBA's work

In 2020, we expanded our pool of Ambassadors. Our ambition is to engage influential individuals and grow an independent Ambassador community that is committed to, and actively aligned with, WBA's organisational priorities. With their talents, passion, values and achievements, our Ambassadors offer far-reaching platforms and influence among audiences that transcend borders, with the purpose of advocating, raising awareness of and mobilising support for WBA's work, parallel and complementary to their full-time roles.

We welcomed the following Ambassadors in 2020:

- **Cherie Blair CBE**, Chair, Omnia Strategy
- **Sharan Burrow**, General Secretary, International Trade Union Confederation
- **Richard Curtis**, Writer, Director, Co-Founder of Red Nose Day and UN SDG Advocate
- **Jane Diplock**, International Company Director;
- **Hendrik du Toit**, CEO, Ninety One
- **Erika Karp**, Founder & CEO, Cornerstone Capital Group





- **Mervyn King**, Senior Counsel and former Judge of the Supreme Court of South Africa
- **Gunhild Stordalen**, Founder & Executive Chair, EAT Foundation
- **Jonny Wates**, Owner & Director, Wates Group
- **Robert w. van Zwieten**, CEO, The Serendra Group LLC

While the Ambassador community has grown to include several influential voices from across the business world, financial sector and civil society, it remains largely Eurocentric. In 2021, we will focus on expanding our pool of Ambassadors to include more voices from developing countries who can advocate for and help us grow our influence in underrepresented regions and communities.

## Promoting accountability on the SDGs through public policy engagement

In 2020, we built WBA's policy capacity by recruiting three full-time staff focused on driving engagement with policymakers at the EU, South/South-east Asia and global (UN, World Bank, G7, G20 etc.) levels. These policy leads focused on mapping and understanding the regional policy landscapes, developing strategies aimed at influencing policy interventions within their respective regions and strengthening relationships with

key stakeholders, positioning WBA as a trusted organisation working to promote corporate transparency and accountability on the SDGs. The team was able to contribute directly to a wide variety of policy discussions. Most notably, we contributed to the discussion on non-financial reporting at the European level via the non-financial reporting directive review, our first Policy CoLAB at the Asia level and the UN High-level Political Forum and UN General Assembly at the global level.

At the European level, WBA engaged significantly with the European Commission, positioning our benchmarks as credible evidence of corporate performance for potential policy or regulatory actions. This included aligning work on our Climate and Energy Benchmark with the Green Deal Investment Plan, our Gender Benchmark with the Gender Action Plan, our Food and Agriculture Benchmark with the Farm to Fork Strategy and the CHRB with the Action Plan on Human Rights and Democracy 2020-2024. Through our engagement, WBA was also invited to serve on one of the Sustainable Finance Working Groups to the EU Institutions, which will focus on topics of sustainable corporate governance, non-financial reporting and sustainable finance more broadly.

At the Asia regional level, WBA focused on prioritising countries and



topics for policy engagement, given the wide-ranging policy environments in the region. In India, in addition to convening the Policy CoLAB mentioned above, WBA submitted recommendations and presented to the Indian government on the Indian National Action Plan on Business and Human Rights as well as the Indian Ministry of Labour's Draft Wage Rule consultation. In addition, WBA provided recommendations to the ASEAN People's Forum statement, advocating increased business transparency and accountability in the region and the adoption of mechanisms based on the UN Guiding Principles on Business and Human Rights, the Paris Agreement, the OECD's MNE Guidelines and the ILO Conventions. In 2021, WBA will convene a workshop with academics on promoting business and human rights law and policy reforms in Asia, in collaboration with the Public Law and Human Rights Forum at City

University of Hong Kong's Law School, the United Nations Development Programme and the Human Rights and Business Academy.

At the global level, WBA focused on building relationships with key UN member states and positioning ourselves appropriately at key global convenings and forums, including submitting an official application for ECOSOC status to the UN. This is consultative status and the highest status granted by the UN to NGOs. For example, WBA received enthusiastic support to join the official policy tracks of the UN's 2021 Food Systems Summit from the secretary-general's special envoy for the summit. WBA was also proud to receive an invitation from the Office of the President of the UN General Assembly – led by H.E. Muhammad Bande – to join a special UN Charter Day. WBA staff all

**“The Center for Indonesian Policy Studies is excited to be a part of the WBA community. We appreciate WBA’s approach in recognising the important role of the private sector in opening constructive and inclusive pathways to advance Sustainable Development Goals in developing nations.”**

**Center for Indonesian Policy Studies**



## Institutional engagement

the over world came together via video to provide an overview of our efforts to transform private sector engagement on the SDGs for a panel titled 'The 2030 Agenda: Fulfilling Our Commitment to the Future We Want'. WBA also submitted policy recommendations on gender and inclusion, climate and sustainable finance as part of the UN's invite-only High-level Meeting on Financing for Development in the Era of COVID-19 and Beyond. This resulted in explicit reference to WBA and its proposals in a 'menu of options' presented to UN leadership and more than 60 heads of state in September. In addition, WBA was referenced once again in the UN's Inter-Agency Task Force on Financing

for Development's 2020 report. WBA was also proud to strengthen its bilateral engagement with high-level decision makers, diplomats and experts from the UN missions of Canada, Denmark, the EU, Ghana, Guyana, Nigeria, Japan, the Netherlands, Rwanda and the United Kingdom, among others. Beyond the UN, WBA participated for the first time in the C20 process, convened under the auspices of the G20 presidency held by Saudi Arabia, and hosted an official side event bringing together key civil society Allies to explore themes of corporate accountability and civic engagement on the SDGs. WBA experts were also invited to speak on digital inclusion at the C20.

### INVESTOR ENGAGEMENT

In 2020, WBA deepened relationships with our investor Allies and others to continue elevating the role of investors in influencing company behaviour. As mentioned in the CHRB section, the Investor Alliance for Human Rights issued a letter that was signed by 176 investors, representing USD 4.5 trillion in assets under management, calling for companies to institute mandatory human rights due diligence based on the results of the 2019 CHRB.

In addition, WBA interviewed several investor Allies to begin to understand how they might play a role in driving our collective

engagement activities across our benchmarks and transformations. These discussions were informed by existing collaborative engagements undertaken by investors, particularly in the climate space, and informed potential gaps and opportunities where WBA might play a role going forward. As a result of these interviews, several investor Allies have already expressed an interest in leading transformation- or benchmark-specific engagements when they launch in 2021.

WBA's engagement with investors will ramp up significantly in 2021 with the onboarding of a new investor engagement lead.



## Adapting engagement and communications to different stakeholder groups

As a result of the COVID-19 pandemic, WBA's engagement model shifted to an entirely virtual one. This resulted in several learnings about the need for more inclusive and interactive convenings that continue to promote cross-sector, cross-regional and cross-cultural perspectives. Virtual engagements also highlighted the difficulties of ensuring appropriate developing country representation and the need to engage Allies, Supervisory Board members, donors and others more strategically in order to bring in the right voices, especially from underrepresented regions or stakeholder groups. In addition, 2020 highlighted the need for WBA to ensure that we have simple and clear messages and tools that can empower stakeholders to use our data. This includes ensuring that our communications are adapted for specific groups and that we provide our stakeholders with specific asks or opportunities to facilitate their engagement with companies in their networks. In doing so, we are also acutely aware of the need to align and balance our engagement and communications functions so that we are keeping our stakeholders informed about our work without overwhelming them. This will require greater internal coordination, simplification of messaging and sequencing of information to ensure stakeholders remain engaged and focused on action.







## Personal narrative

**Sofía del Valle**  
Engagement Manager

Sitting in a rental car parked on the side of a dirt road, surrounded by sheep, while trying to find good reception to connect to Zoom on my phone: this was my first interview for the engagement manager role at WBA. “First and last,” I thought, given the less-than-ideal setting and how nervous I was about it. The pandemic had forced me to leave my previous job and life in the US, and by September of 2020, I was house-sitting a friend’s place in rural Ireland and working some gigs as an independent consultant, using my phone’s hotspot as my unreliable source of internet.

And yet, Ciska and Pratik – the colleagues who interviewed me – saw through this bizarre context. They took the time to chat and even joke – “Well, this is for sure an interview to remember” – and made me feel at ease. And what I feared would come across as messy or disrespectful, they

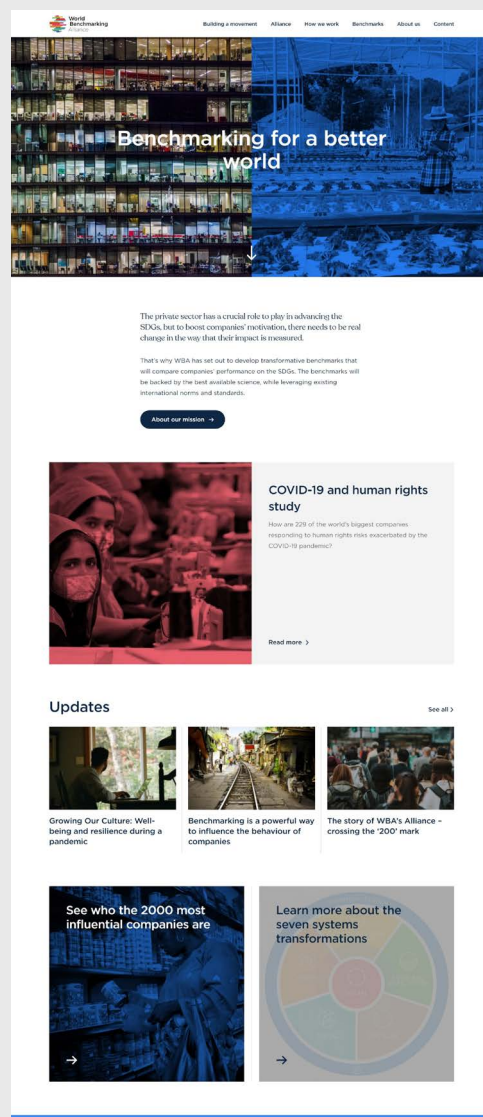
saw as determination and resourcefulness. By the end of the interview, I was still feeling a bit nervous, but I was also feeling seen.

After I joined WBA, I saw that this way of treating people was not the exception but the norm. Since day one, colleagues from all corners of the world and across all teams have been incredibly warm and welcoming – which is especially important for someone starting a new job and moving into a new country in the midst of a pandemic.

Today, I work as the engagement manager for WBA’s social transformation work, bridging two amazing people-centred teams: the social transformation team, which works to ensure people are at the heart of all of WBA’s work, and the engagement team, which seeks to drive evidence-based impact by listening, empowering, sharing and collaborating with others.

Reflecting on my last few months at WBA, I can say with confidence that this people-centred approach is not just words on paper – it is brought to life in the way we seek to value and care for people in everything we do: in the approach we take to assessing companies, in the way we work with Allies and partners and in the way we treat each other internally.





Looking back over 2020, the communications team fully embraced WBA's key tenet for the year of 'scale first, depth later. There were developments like the SDG2000 launch at the beginning of the year that reflected the need to grow our presence first using a combination of traditional and non-traditional communication methods. One of the primary reasons we were able to achieve this was the strengthened capacity we gained from expanding our team. At the beginning of 2020, our team comprised three colleagues. By the end of the year, our team had six colleagues with specialised and diverse experience like social media, earned media, content and partnerships. This helped immensely in shaping the quality and quantity of our output.

Starting with the launch of the SDG2000 list, the year was marked by several other landmarks for our benchmarks. The narrative set by the launch of WBA being the driver of accountability for companies was continued through the following months and reflected in all the communications activities. Having set this tone, we saw a noticeable shift in the engagement rate of our key messages with our global audience, which was also specifically directed towards CEOs and the media. Additionally, as the data shows, this period saw a marked increase in our reach and involvement across stakeholder groups, which was clearly reflected in the growth of our audience.



Across all the benchmark launches, events and campaigns, using a variety of methods and tools, the communications team was able to translate the powerful data produced by the researchers into simple, effective messages for our larger audience. To do this, we primarily relied on the principle that 'people are more reliable than institutions'. As an extension of this, we initiated several projects. The first was the editor-in-chief project where different colleagues across WBA took over the institutional social media handles each week to share their authentic voice with the outside world. The second was the influencer project, which enabled selected colleagues to position themselves as thought leaders in their own right.

Another theme we explored was using new techniques to create a targeted approach to reaching our audience. To elaborate, for some of the key launch moments throughout the year, we created plans for customised outreach like the launch of the Digital Inclusion Benchmark (with a media focus on China) and the launch of the gender and food baseline assessments (with distinct social media outreach). This strategic way of communicating to our audience delivered several insights and learnings (detailed as highlights in different sections of this report), which has shaped our planning in 2021 as we continue to build our communications approach.

**“Only through a global, collaborative effort will we see real progress towards achieving the SDGs and a more fair, equitable world. For women entrepreneurs in low and middle income countries this has never been more important, as we grapple with the impact of a global crisis that is disproportionately impacting women in business. We will use our position as an ally to champion the voices of these women, who are the suppliers, customers, leaders and owners of businesses that can move us towards achieving the SDGs.”**

**Cherie Blair Foundation  
for Women**



## COMMUNICATION HIGHLIGHT

### Sharpening our communications through our website

In September 2020, just before the UN General Assembly, we launched a new website. Our initial website was developed in 2017 to complement WBA's consultation phase. Three years down the line, it was the right time for us to invest efforts in the creation of a new website that would match where we are 'now' as an organisation. Developing a new website helped us sharpen our communications and create a content hub that connected all the dots: our story from launch to now, the various themed reports, benchmark results and the relevance of the Alliance.

The process became our gateway to understanding WBA's stakeholders better, as the website became a place to simplify the user journey for our stakeholders (especially companies) and enable them to find relevant content easily. It was important for us not just to make them find this

information but also lead to better understanding for the audience of 'how they can step in'. One of the biggest challenges we faced was figuring out the best way for our website to have space for each benchmark to explain its unique story and still retain a consistent tone, linked to WBA's mission throughout. In 2021 and beyond, a critical learning for us will be to continue to have a website that keeps our message simple, informative and inspiring for our different audiences.

Another aspect of our website is the publication tool – the medium we use to present our benchmark results to the outside world. With the launch of every benchmark, we evolved and fine-tuned our process to make it an efficient user experience for our audience to understand our data. For instance, the rankings and scorecards we developed were created with the WBA principle of 'making it simple' in mind. This resulted in our hard and sometimes complicated data being presented in an easy-to-digest format. In the long run, accelerated by a continuous learning process, we intend to use the publication tool to present a very clear dashboard of company rankings and performance.





## Personal narrative

**Blanca Civit Sardà**

Communications and Media Lead

2020 was a tumultuous year for many, and I was no exception. At the beginning of the year, I was working with WBA as a senior account manager for a large press relations agency in London. By September, I'd moved to the north of the Netherlands and was working remotely as a full time, in-house member of WBA's communications team.

It took becoming a WBA employee to understand just how many stakeholders, Allies and partners the organisation engages with to achieve its vision. The number of events we put on or attend is staggering! We should try to communicate this more with our external partners and agencies – it will only enable them to help us in our mission, and potentially unlock opportunities we didn't even know existed. We need to 'work out loud' more externally!

At the same time, the challenge to think and work out loud outside begins from within. As a young team, my communications colleagues and I are still figuring out how to share the 'why' and 'how' behind what we do. In my role as earned media lead, I want to get better at sharing all the work that leads up to a key press moment. For example, when BBC News interviews one of our directors on live TV, it's a concerted effort by the entire communications team. A clear website, killer tweets, thoughtfully written blogs and ongoing engagement with our Allies are key ingredients that lead up to these media coverage successes. By getting our colleagues to understand the value and impact of everything we do, we can create greater buy-in for all of our communications efforts. Only then can this knowledge be expressed with our stakeholders.

Whilst working for a teal organisation felt a bit strange at first, as a people person I've fully embraced it. Knowing that WBA's goal of helping people is also played out internally gives me a lot of motivation. It's also enabled me to get to know colleagues whilst working from home during a pandemic. I have supportive and enriching relationships with people I've never met before, and that's a beautiful thing.



## Data management and tools for efficiency and learning

In 2020, WBA focused on formalising its data management ‘guiding principles’, principles that have served the organisation well since its founding – such as our data architecture principles and agile approach to innovating on technology. With the growth of the organisation, these principles warranted expression in the form of guidelines. These guidelines aim to help us learn how to think about the use of technology in our own work and to ensure that, as a team, the right technologies are employed at the right time.

As always, WBA’s information technology (IT) platform is evolving; adapting and innovating to meet the needs of the organisation. A noteworthy update to the platform in 2020 consisted of integrating part of WBA’s results management framework into a pre-existing tool in the IT platform, namely the engagement tool. This was a compelling example of how, by following WBA’s data management guiding principles, we were able to reduce costs and complexity by leveraging tools already available in the platform and familiar to the team while simultaneously improving the value of the engagement tool itself by having easily accessible data all in one place.

In the final months of 2020, the data management team wrapped up a consultation on current ways of working across its various data

domains (i.e. data handling regarding SDG2000 companies, company surveys, scoring and analysis, scorecard publication and engagement). This consultation considered any potential risks involved in these ways of working as we grow as well as WBA’s data ambitions for the future and culminated in recommendations on technical solutions.

WBA’s different ways of working and varying business processes between transformations constitutes its biggest risk factor in terms of data handling. The resulting recommendations ranged from real-time organisation-wide synchronisation of the database, to a research front-end for analysis and scoring that can synchronise to the database outlined above as well as increased structure in the internal division of database responsibilities. In achieving these, a dashboarding environment for employees, Allies, investors or the public can then be set up to visualise more detailed or personalised analyses.

We will implement these changes one at a time, in part because they build upon each other. The recommendations aim to set the agenda for WBA’s data management practices in 2021.



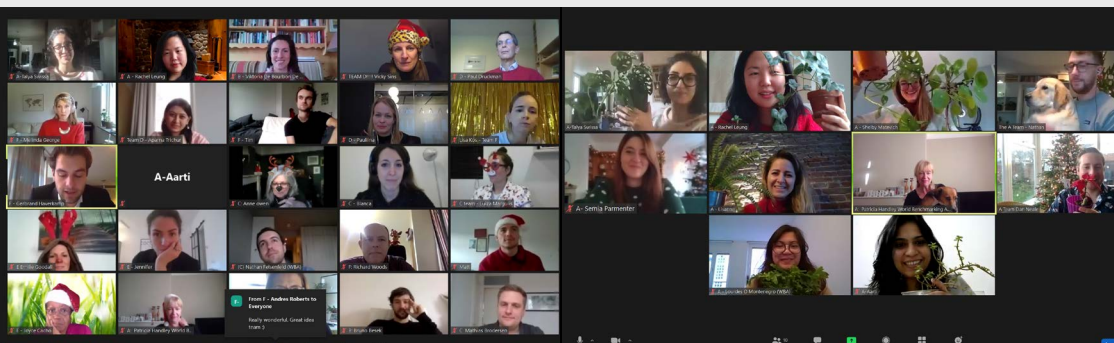


Team day moments throughout the year

## Values and Teal

In 2020, we continued to grow our international working community while embracing our values by being aspirational and inclusive, staying independent and making things as simple as we can. From the beginning of our organisational design, we have used Frédéric Laloux's management book *Reinventing Organisations* and his principles around a Teal organisation as our guiding philosophy. In 2020, we continued our focus on maintaining WBA's flat hierarchy to ensure spread-out ownership and responsibility. We believe that such an approach brings out the best in people, which in turn ensures the organisation is fit for purpose, namely to create systems change. Our Teal culture can be characterised by self-organisation (decision-making and command does not travel downwards), being your whole self (bringing one's head, heart and soul into the work) and evolving purpose (responding organically to arising needs).

Our people are purpose driven, and our purpose evolves with the world we work in and changes that happen all the time. With 67% of our annual budget going to our people, it makes a lot of sense to ensure that we all bring the full and best versions of ourselves to work. Our purpose pulls us forward and requires a lot of trust and letting go of the





comforting illusion of control. To create impact in such an evolving organisation, it is key to be aware of our actions, attitude and behaviour. This is where the importance of showing up whole, ongoing feedback and being reflective of the self comes in. Being self-aware helps us to identify how to manage ourselves best, how to reach our full potential and how to continue to build a bridge while walking over it. Self-management is embodied by distributive, inclusive and well-rounded decision-making and letting people find their own natural hierarchies in teams.

### Learning and development

At WBA, we are creating an open learning environment in line with our culture and values. We believe that 70% of lasting and impactful personal and professional development happens in our day-to-day work, 20% comes from learning with others (such as working with colleagues on a learning topic) and 10% comes from more formal learning (such as professional training or coaching). Being part of the WBA team means putting emphasis on what you can learn as you go instead of focusing on what you already know. At WBA, we want to ensure people grow, cherish talent and manage performance in a way that suits the culture and growing size of the organisation.

In 2020, WBA facilitated this ambition through two people-centric workstreams in particular.

Our self-led development takes the form of commitment-setting cycles. In 2020, we moved away from a format in which seniority and department determined who was eligible to support others' growth, to the more teal concept of 'people leads'. This change was partly because of span of control and partly thanks to the desire of many within the team to work more closely with one another and support each other's growth. A people lead is anybody who wishes to encourage their colleagues to take ownership and achieve maximum impact, learning and development driven by WBA's purpose. After an initial trial run, this scheme was rolled out across the whole team.

Connected to the people leads, who focus on the journey of the individual, we also launched groups led by 'learning leaders' who focus on WBA-wide learning. We identified certain skills, behaviours and habits that we either want to change or obtain collectively. The latter include building resilience, encouraging systems thinking and active listening and feedback. Instead of running prescriptive ad hoc trainings, the team saw a need and stepped in to drive learning on a topic they find important.



### Becoming fully virtual

In practice, remote working is one of the enablers of a diverse and competent team. This is strategically important to WBA's mission of building an international and inclusive movement. Furthermore, proximity to all those who influence and use our benchmarks is key to making the benchmarks as robust as possible. In 2020, COVID-19 turned us into a fully virtual organisation, which brought challenges as well as opportunities. Being an inclusive organisation with staff all over the world, we were somewhat prepared, but a lot of reinventing and behavioural change was still needed to become fully effective and impactful remotely. Joining a completely virtual organisation, maintaining a good work-life balance and missing out on live opportunities

at conferences or in the office were challenging. To deal with these challenges as well as the emotional strain of forced remote working, we stayed in close contact with each other, organised team moments to check in with one another and came up with creative online solutions. Exploring how to be effective and connected in a remote environment and integrating COVID-19 into our workstreams was a good learning. It taught us how to influence and connect without being in the same room and how we can evolve our work when faced with a big global crisis. We saw that people (for example, our young international staff and parents) struggled with their work-life balance and mental health, especially in combination with COVID-19. We need to keep a close eye on how to stimulate a healthy balance as well as creating a space to pause and reflect.

**“As a founding partner on the Board, I’ve watched WBA evolve over the last four years with immense pride and enthusiasm. WBA identified a critical gap in the market – the need for clear and convincing metrics to track business sustainability that all stakeholders could access and use – and swiftly set about filling it. That they were able to not only maintain but also grow stakeholder interest in a year like 2020 is also testament to the value of WBA’s benchmarks in achieving the SDGs.”**

**Elizabeth Cousens**

President and Chief Executive Officer, United Nations Foundation



### COMMUNICATION HIGHLIGHT

#### Giving WBA a human face

Our social media research has shown that people come across as more engaging and trustworthy than organisations, labels or brands. Research released by the global communications firm Edelman depicted the same trend, namely that there is a strong public demand for expert voices. With that research in mind, a central goal throughout our communications became showcasing and elevating the diverse opinions, expertise and perspectives of WBA colleagues.

In 2020, we doubled down on this commitment, embarking on a project to celebrate our colleagues as influencers and thought leaders. This began with the editor-in-chief project, which gave the social media microphone to the people behind the work at WBA. Each week, a new colleague took over our institutional social media channels, using their position to leverage their own thought leadership and highlighting stories unique to their specific work that might otherwise have gone unnoticed. This, in turn, allowed WBA to reach the audiences and

networks that our colleagues had ready access to. Our social media analytics showed that we managed to gain considerably more impressions on both Twitter and LinkedIn with our editor-in-chief project. Not only did posts celebrating the editor-in-chief's personal voice perform very well, but they also managed to engage WBA team members and beyond. The project also helped break down internal silos and became an opportunity for the communications team to deepen relationships with colleagues across WBA.

This effort extended into a partnership with Edelman, helping us to take the steps necessary for a number of our colleagues to establish themselves as 'influencers' in the most time-efficient way. Over a period of four months, selected colleagues took on the challenge and worked closely with experts to learn what works and what could work better in sharing their perspective online while at the same time listening to the communities that matter most to their work. As a result, our colleagues learned to customise their stories to their respective online networks.



### Current staff numbers and onboarding

In 2020, WBA had staff working from 13 different countries across the globe. We saw exponential growth over the course of the year, expanding teams all over the globe with incredible talent to a total of 65 employees. In 2020, 24 people joined the organisation and seven people left the organisation. The sickness absence rate was 2.6%, which is a bit higher compared to 2019 but below the average sickness absence rate in the Netherlands. We believe that this slight increase was due to a variety of reasons. These include the strain of COVID-19 measures as well as the high levels of flexibility and autonomy, often leading to more productivity, which in the long run can be detrimental to work-life balance and overall energy levels.

Because of the continuous growth in 2020, all teams needed to make their processes more effective and efficient. We trialled a number of activities to support this ambition, such as implementing an agile meeting structure, host evaluation and learning sessions and creating a virtual working guide. These activities have helped our teams to make their ways of working more explicit, learn from each other and assist new staff members in finding their way at WBA. To stay connected,

we also organised virtual team days, regular coffee chats and ad hoc celebratory moments with teams.

The induction of new hires remained attentive and thorough, to ensure they were familiar with WBA's way of working, its processes and policies as well as with its culture and values. We continued to improve our onboarding activities, stimulating both a welcoming environment as well as space to do things in your own way. We evolved our onboarding day and documentation to focus mainly on culture, values and teal ways of working. We continued to roll out our buddy scheme to drive home that this is the first go-to person to ask questions, have chats with, introduce you to our organisation and familiarise you with our ways of working. These activities have helped our new staff members to get started in a smooth and culturally aligned way so that they are able to be effective and impactful in their role.





### Personal narrative

**Gerbrand Haverkamp**  
Executive Director

**Samantha Ndiwalana**  
Research Analyst

2020 was a history-making year, where for a moment, the world's focus turned to the impact of racial inequality. The Black Lives Matter movement moved from the American fringe to centre stage as solidarity protests took place around the world. For us, as WBA, this focus on diversity and racial inequality required us to look outside and inside.

Looking outside meant we had to understand how societal expectations towards companies are shifting when it comes to fostering inclusion and fighting racism. We did this through round tables where we asked for feedback on including racial inequality in the social transformation. The conclusion was that our stakeholders saw a need for such issues to feature more explicitly for an equitable distribution of opportunities and resources, and we agreed.

Looking inside meant asking ourselves if we are living up to our core value of being inclusive. To make a start, we had internal conversations and [published a blog](#) in which colleagues shared their personal experiences with diversity, racism and white supremacy.

We took away a lot from looking inside and outside, and it's clear there is a lot more we need to do. To help us plot the next steps, we reached out to an Ally, Business in the Community (BITC). With BITC, we are designing a process to engage internally and externally on this issue by considering the implications this will have on four pillars of WBA, namely:

- **Organisational:** How are we defining ourselves and our social purpose? Are we an anti-racist organisation and what does that mean?
- **Employees:** How are we ensuring that staff of colour are supported and empowered? How are we supporting, challenging and enabling our white staff to be effective allies?
- **Products and services:** How is our stance on racial inequality reflected in benchmarks we develop?
- **Alliance network:** Are we operating as a globally inclusive organisation through engagement and partnerships? And how do we embed an anti-racist strategy into this network?

Structured around these four pillars, we believe we have an approach in place that is not only inclusive but equally aspirational. But to make it work, we have to start with the basics: learning to talk about racial inequality while moving away from fear and assumptions to a place of curiosity and safety.

This means we need to commit to both personal journeys and an organisational journey of learning and growth. We hope that many Allies will join us.



## Chairman's statement

The Supervisory Board of the World Benchmarking Alliance has taken major steps to become more fit for purpose during 2020. As the organisation matures, it needs to have a board that matures with it, especially now we are having such a significant impact with our benchmarks and rankings.

The board has expanded not only in number but in diversity, reach, expertise and experience. I could not be more delighted with the engagement and contribution of the new members, alongside those who have continued, and a sparkling management team. The development of a teal organisation is new to all of us on the board; it is inspiring to be a party to this concept of an organisation based on self-management, wholeness and purpose. We are learning. As one board member said to me, "You are never too old to learn."

The pandemic of 2020 has affected everyone, including our own team. Globally, headlines such as deepening inequalities are so poignant in a paradigm that currently does not envision valuing the success of business by what it contributes to society. And yet the Edelman 2021

Trust Barometer indicates that business is the only trusted institution, both in competence and ethics. The theme of the barometer for the year is 'declaring information bankruptcy' – strongly accentuating the appropriateness of our work in providing the accountability mechanism for business on the SDGs.

Business must step up as climate change has no vaccine and we cannot socially distance ourselves from inequality.



**Paul Druckman**  
Chair, Supervisory Board



## Board expansion



**Bukola  
Jejeloye**



**Elizabeth  
Cousens**



**Josien  
Piek**



**Joyce  
Carcho**



**Lysa  
John**



**Mark  
Kramer**



**Paul  
Druckman**



**Veronica  
Olazabal**



**Victoria  
Márquez-Mees**

WBA's Supervisory Board needs to reflect both the agents that can drive change as well as the voice of those who benefit from that change. This need has been met with the appointment in 2020 of six new board members with a diverse set of backgrounds and expertise. The new members are Bukola Jejeloye (Managing Director, Offline Diplomat), Joyce Carcho (President, Adinura Advisory Services), Lysa John (Secretary-General, CIVICUS), Mark Kramer (Founder and Managing Director, FSG, and Senior Lecturer, Harvard Business School), Veronica Olazabal (Senior Adviser and Director, The Rockefeller Foundation) and Victoria Márquez-Mees (Managing Director, European Bank for Reconstruction and Development). Together, they bring a wealth of

experience from working within and with civil society and close to communities, to multilaterals and the private sector. All of WBA's board members give their time independently from any organisational affiliations they may have and sit on the board as individuals who believe in and connect with WBA's mission.

As with previous board recruitments, the process was both lengthy and thorough as it involved consulting all members of the sitting board. The search was facilitated by corporate search firm Odgers Berndtson, which shared its time, expertise and networks for WBA's benefit and vetted relevant candidates.



### COVID-19 risks

COVID-19 demanded much of the board's attention at the beginning of the year to assess WBA's resilience in the face of the public health crisis. The board had to have an open and honest conversation, based on which they determined the most imminent risks to WBA's output, longevity and health. The major risks included lower productivity levels among staff, a shift in stakeholder priorities and prospective donors deciding not to enter into new partnerships. The board was able to apply some mitigating measures to combat the impact of these risks, such as allowing staff maximum flexibility in their work and life priorities and focusing our efforts on existing donors. However, not knowing the

full extent of the crisis and how it might affect not just WBA but also the world in the long term, the board had to admit a level of uncertainty. Ultimately, no major strategic changes took place, though we made some adjustments to a few benchmarks, their scope and the communications around them (see the sections on the Corporate Human Rights Benchmark, Gender Benchmark and Digital Inclusion Benchmark).

### Culture, transparency and Teal

In order for WBA to deliver its benchmarks with the speed necessary to do so within the Decade of Action, it must move like an organism that evolves with its purpose and changing needs. Having a culture that

**“Until I joined WBA, ‘TEAL’ was just the colour of my office, but now it means much more. It’s how we aim to act as an organisation; avoiding traditional hierarchies, embracing self-management, encouraging wholeness and evolving the purpose. It’s not been a natural step for me, but in a VUCA world, adjusting your sails to catch the wind seems to make more sense than rowing against it. We’re expanding our team - so if you want to bring all of you to a place that wants to change the world, check out our website.”**

**Dan Neale**  
Social Transformation Lead



encourages openness, flexibility and ownership is not limited to staff but applies to all arms of WBA. Though always in the background, the board dedicated some time towards the end of the year to exploring what supervising and guiding a teal organisation means in practice. The discussion touched on the opportunities as well as the challenges, which include that WBA does not exist in a vacuum but must work with stakeholders and organisations who practice other management styles. Another element that will require some awareness is finding a balance between execution and supervision. In a true teal setting, the board is able to engage with staff and share its expertise without getting too entangled in operational challenges.

### Committees

With a much larger board in place, WBA set up three committees related to operations, engagement and research, as a means to tap into members' specific expertise and networks. This setup allowed for more focused board meetings, as some discussions were held first in a committee before being brought to the full board.

The Research Committee discussed issues such as building on existing standards, the MEL framework and how the organisational evaluation

could inform decision-making in WBA's research. The Operations Committee is the main funnel for anything related to people, culture, finance and communications. In addition to reviewing materials such as the annual report and budgets before they go to the full board, the Operations Committee holds high-level discussions on people, talent and diversity within WBA's team and management. Finally, the Engagement Committee deliberated the impacts of COVID-19 on WBA's engagement with companies and other stakeholders, in particular in regions that were hit hardest by unemployment or human rights abuses. The Engagement Committee also discussed how it can, continuously, help link the engagement team with regional events and actors.

### Dissolution of the Access to Seeds Foundation

WBA and the Access to Seeds Foundation (ATSF) Supervisory Board approved the proposal to appoint Gerbrand Haverkamp as executive director of ATSF in order to approve the dissolution of Stichting Access to Seeds Foundation. The proposal was put forward as a continuation of the integration process based on activities agreed upon by the ATSF Supervisory Board and WBA on 21 October 2019.



## Letter from the operations director

In many ways, 2020 will be a year we will always remember. The COVID-19 pandemic followed by BLM had a profound impact on everyone, everywhere, including us at WBA. We had to reconsider everything we had planned when the world was put to a standstill in early March, and we needed to reinvent our ways of working as everything moved to the virtual world.

As in 2019, we grew again as a team, and we were able to create a lot of impact despite the insecurities we faced. Agility, dedication and hard work all enabled us to deliver on the promises we made.

I am in awe of the progress we made and the impact we had. I am extremely proud of everything we achieved and the way we supported one another. Our achievements also made it clear that we need to work smarter, and that standardisation of a number of processes and outputs is a must. This is especially the case when it comes to meeting the increasing expectations of our stakeholders, against the resources that always seem to be scarce.

The merger of the two foundations in 2019 (Stichting Index Initiative Foundation and Stichting Index Alliance), and the renaming of Stichting Index Alliance Foundation as Stichting World Benchmarking Alliance

Foundation, resulted in the first full year of operations for WBA in 2020, during which our wish to facilitate transparent and lean governance paid off. We further integrated the activities of the CHRB and Access to Seeds into WBA. The legal entities have not yet been dissolved but remain dormant for now, and their liquidation balances have been added to WBA's continuity reserves.

In 2020, Pauliina Murphy and Richard Hardymont, who both joined the organisation in 2019 as engagement director and research director respectively, had worked a full year as statutory directors, which also explains the increase in salary costs of the executive team. At the other end of our two-tiered governance model is the Supervisory Board, which was expanded with some truly impressive individuals. With the incredible pro bono support of Odgers Berndtson's Derek Wilkinson, we welcomed six highly experienced and knowledgeable members. Bukola Jejeloye, Joyce Cacho, Lysa John, Mark Kramer, Veronica Olazabal and Victoria Márquez-Mees joined us midway through the year. At the same time, we said goodbye to Kirsty Cooper. I would like to take this opportunity to express my gratitude to Kirsty, who served as an extremely valuable sounding board during the first phase of our organisation. In the second half of the year, we set up our engagement, research and operations committees within the Supervisory Board to mirror the



## Letter from the operations director

pillars of the organisation and maximise the board's impact.

In order to be credible, we want our financial management to meet the same high standards we expect of the companies we benchmark and, of course, to align with what we promise our donors. Achieving this starts with transparency. To that end, our 2020 financial results are reported in detail in the financial statements section of this annual report (page 80). The financial statements were prepared in accordance with the Guideline for Annual Reporting 640 'Non-profit Institutions' of the Dutch Accounting Standards Board, using the same guidelines and regime as 2019.

### **2020 in review**

I feel we are still in financial control without becoming too risk averse, and we have delivered all of WBA's objectives. The COVID-19 pandemic forced us to change some activities as we wanted to minimise the reporting burden on companies during such a difficult year. Despite these changes, we were able to create the impact as projected. On the income side, we faced serious uncertainties because of the inability to travel and attend international events at which we normally network and engage with funders. Nevertheless, we secured enough funds and were able to diversify our funding portfolio by attracting more

foundations. With support from Porticus, the Walton Family Foundation, the David and Lucille Packard Foundation, IKEA Foundation, Aviva Foundation and the Children's Investment Fund Foundation, we now have a stronger funding mix moving forward. Together with financial support from the governments of the Netherlands (Ministry of Foreign Affairs, Ministry of Agriculture, Nature and Food Quality), Denmark (Danida), the United Kingdom (FCDO), Germany (BMZ/GIZ), Sweden (Sida) and France (ADEME) as well as the European Commission (DEVCO), we were able to support the impact we seek to achieve.

Like in nature, diversity is needed to create organisational resilience. Besides a diverse employee base, a diversified funding portfolio is needed to deliver our long-term plan to benchmark the SDG2000 against the seven systems transformations by 2023. This diversity will also allow us, together with our Allies, to hold companies to account and to create a sustainable world that works for everyone by achieving the SDGs.

Our funding efforts led to an accomplished income of €7,483,793 out of the €8,868,851 budgeted. Regarding expenditures, we came in under budget, with a €7,259,751 total spend in 2020. We were able to add the outstanding €224,042 to our unrestricted continuity reserve



## Letter from the operations director

from the Aviva Foundation funding. The ability to increase our continuity reserve is necessary to cover risks in the short term as well as to ensure we can meet obligations in the future. However, creating an unrestricted reserve is a privilege that only a few funders allow.

The majority of our expenditure (67%) was staff related, which is more or less equal to 2019. We started the year with 40 employees and ended the year with 63. This was the result of 30 newly recruited employees and the departure of seven employees due to both positive and negative attrition. With people being at the heart of everything we do, we need to make sure these talents bring their whole self to work. Even though we have built our organisation on Frédéric Laloux's teal principles from the outset, this year we felt the need to make the three underlying principles (self-management, wholeness and evolutionary purpose) more explicit. We also linked these principles to the many learning and development efforts we undertook to support the organisation. This shift was necessary to help guide the fast-growing team as well as to ensure we develop the organisational capabilities to deliver the impact we aspire to in our VUCA (volatile, uncertain, complex and ambiguous) field of work.

The underspend on outreach and communications was mainly caused

by the inability to travel. We have, therefore, invested in learning how to organise and facilitate virtual round tables. This will benefit us in the future as such events enable us to reach larger groups at lower cost. Virtual sessions do not, however, help us to build deeper relationships, which is crucial for our work. Thus, we will have to consider how best to combine the physical and virtual worlds once we are allowed to travel again. To compensate for the lack of in-person outreach, we also decided to invest more in communication through earned media and expanding the social media networks of WBA's thought leaders. In terms of data platform and research partner costs, most of our expenditures go to our research partners (such as CDP and Vigeo Eiris), but we also increased investment in our data management and tools needed to do our work more efficiently.

Finally, we continued to automate our administration and devote more time and attention to building a culture of accountability, which is necessary for policies, procedures and internal controls to come into effect.

### **Outlook 2021**

Looking ahead, our financial plan is focused, as always, on creating a financially healthy organisation as we work to fulfil our mission. Our 2021 budget supports the execution of our annual plan, which was



## Letter from the operations director

approved by the Supervisory Board in December 2020 after consultation with core donors.

Our total budget for 2021 is €11 million. This is 52% higher than the €7.2 million spent in 2020, allowing us to work on more transformations, benchmark more companies, expand our Alliance and collaborate with more Allies.

Sixty per cent of this budget is currently secured by our donors. Additional grants have been requested from various funders to ensure continuity for the development and publication of our benchmarks as well as for the engagement and communication needed to ensure our benchmarks remain relevant and used. As always, a large part of our budget will be spent on research. Research on its own, however, is not enough. To complement the content we produce, we will also invest in building collective impact coalitions as well as an automated online dashboard by standardising processes and configuring tools supporting the front and back end.

We may not secure the full budget for 2021, but we do not see any risk to the continuity of our work. We will, therefore, carefully monitor our financial performance as 2021 unfolds, with mitigation plans and

processes in place to adjust spending if warranted by lower income or changing economic conditions. It is still uncertain what the impact of COVID-19 will be on our wider work, but 2020 showed the importance of what we do. Our proven resilience and adaptability when needed gives me confidence in our ability to stay ambitious and aspirational. With the growing uptake of our work combined with the impact of the ongoing lockdowns, we know we have to keep a close eye on the well-being of our people. We are committed to doing so, and we will invest in smarter ways of working. In summary, we begin 2021 in as strong a position as last year. Our financial plan, management and team will provide all that is needed to be flexible in the face of change while continuing to invest in purpose-driven impact.



By **Gonnie Been**  
Operations Director



## Balance sheet as at December 31, 2020

(after appropriation of result)

ASSETS	Note	12/31/2020		12/31/2019	
		EUR	EUR	EUR	EUR
<b>Non-current assets</b>					
Financial fixed assets	4		39.160		39.316
<b>Current assets</b>					
Receivables, prepayments and accrued income	5		842.848		202.595
Cash and cash equivalents			2.515.433		2.561.473
			<b>3.397.441</b>		<b>2.803.384</b>

EQUITY AND LIABILITIES	Note	12/31/2020		12/31/2019	
		EUR	EUR	EUR	EUR
<b>Equity</b>					
Continuity reserve	6		776.269		504.004
<b>Current liabilities</b>	7				
Accounts payables		297.242		245.041	
Taxes and social security contributions	8	120.940		132.301	
Deferred income	9	1.819.578		1.699.652	
Other debts and accruals	10	383.412		222.386	
			2.621.172		2.299.380
			<b>3.397.441</b>		<b>2.803.384</b>



## Statement of Income and Expenses

for the year ended December 31, 2020

INCOME	Note	BUDGET 2020	RESULTS 2020	RESULTS 2019
		EUR	EUR	EUR
Grants and subsidies	12	8.868.851	7.501.585	5.146.034
Donations		-	1.237	-
Financial income		-	-2.680	100
Exchange differences		-	-16.349	22.526
<b>Total income</b>		<b>8.868.851</b>	<b>7.483.793</b>	<b>5.168.660</b>

## EXPENSES

Salaries and wages	13	4.168.082	4.101.957	2.440.971
Social security and pension contributions	14	757.652	488.597	291.122
Other personnel expenses	15	424.700	275.874	227.986
Outreach and communication expenses	16	1.067.800	536.801	608.408
Data platform and research partners expenses	17	1.676.872	1.341.810	673.389
Operation support expenses	18	480.936	225.797	226.786
Housing expenses		292.809	288.915	199.999
<b>Total expenses</b>		<b>8.868.851</b>	<b>7.259.751</b>	<b>4.668.660</b>

Net result			224.042	500.000
<b>Distribution of net result</b>				
Addition to continuity reserve			<b>224.042</b>	500.000



## Notes to the financial statements

### 1 General information

#### 1.1 Activities

Stichting World Benchmarking Alliance Foundation (the 'Foundation'), with a statutory seat in Amsterdam, the Netherlands, is a foundation ('stichting') incorporated according to Dutch law. The Foundation's registered office is Rhijnspoorplein 28, 1018 TX Amsterdam. The Foundation is registered with the Chamber of Commerce under 53744993 (RSIN No. 850999765).

Since 2015, the Access to Seeds Foundation hosted the project 'Index Initiative'. This project, funded by the Dutch Ministry of Foreign Affairs, aimed to explore the feasibility of new industry benchmarks like the Access to Seeds Index to track and boost the contribution of specific industry to the Sustainable Development Goals.

Effective from 1st January 2017, the Access to Seeds Foundation has been split into two foundations. All activities and related budgets with regards to the Access to Seeds Index fall under the Access to Seeds Foundation (new foundation) and all activities and related budgets with regards to the Index Initiative project fall under the Index Initiative Foundation (new foundation). Both foundations are linked through a top foundation: the Index Alliance Foundation (former Access to Seeds Foundation). As a result of this demerger, three foundations were operating together under Dutch law. This demerger was intended to leverage synergies, strengthen cooperation and enable the exchange of staff and services between the Index Foundations.

The World Benchmarking Alliance ('WBA') wished to make its governance structure more transparent and lean. The possibilities were discussed and resulted in the conclusion that the most desired outcome would be the one where the three foundations would be reduced to a single foundation. Since the date of establishment is of importance in the field in which WBA operates, the name of the Index Alliance Foundation is changed to the WBA in 2019 and the balance sheets of the Index Initiative Foundation and the Access to Seeds Foundation (both: dissolving foundations) are cleared by moving their activities to the WBA. The Index Initiative Foundation has been dissolved in 2019.

The Foundation seeks to generate a movement around increasing the private sector's impact towards a sustainable future for all. The Foundation has set out to develop transformative benchmarks that aim to encourage industries and companies to enhance their contributions to the Sustainable Development Goals (SDGs) closest to their core business. By comparing companies' performance on the SDGs, while providing stakeholders and the wider public with free and accessible research and benchmarks.

The Foundation was established on October 13, 2011 and its first accounting period ended on December 31, 2012. Thereafter, the Foundation has reported its figures on a calendar-year basis (12 months). The current reporting period covers the period from January 1 to December 31, 2020.

#### 1.2 Going concern

The continuity reserve of the Foundation amounts to EUR 776.269 as at December 31, 2020.

The budget for next year is for a major part already covered by grant



agreements with the Dutch Ministry of Foreign Affairs (DMFA), the European Commission (DG-DEVCO), the Danish Ministry of Foreign Affairs (Danish MoFA) and the IKEA Foundation. Additional grants are being requested from various funders in order to ensure continuity for the publication of benchmarks.

The continuity of the Foundation depends to a significant extent on the willingness of funding organisations to continue these financing facilities. On this basis, the accounting principles applied to the valuation of assets and liabilities and the determination of results in these financial statements are based on the assumption of continuity of the Foundation.

## 1.3 Estimates

In applying the principles and policies for drawing up the financial statements, the management of the Foundation sometimes needs to make estimates and judgments that may be essential to the amounts disclosed in the financial statements. To provide the transparency required under Book 2, article 362, paragraph 1 of the Dutch Civil Code, the nature of these estimates and judgments, including related assumptions, is disclosed where necessary in the notes to the relevant financial statement item.

## 2 Accounting policies for the balance sheet

### 2.1 General information

The financial statements have been prepared in accordance with the Guideline for Annual Reporting 640 'Non-profit Institutions' of the Dutch Accounting Standards Board.

Assets and liabilities are generally valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, statement of income and expenses, references are made to the notes.

### 2.2 Prior-year comparison

The accounting policies have been consistently applied to all the years presented. The comparable figures for past years have been adjusted for comparison/presentation purposes.

### 2.3 Foreign currencies

#### 2.3.1 Functional currency

The financial statements are presented in Euros (€), which is the functional and presentation currency of the Foundation.

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the respective Foundation operates (the functional currency).

#### 2.3.2 Transactions, assets and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates stated in OANDA prevailing on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing on the balance sheet date. Foreign exchange gains and losses resulting from



the settlement of such transactions and from the translation at year-end exchange rates are recognised in the statement of income and expenses.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing on the dates of the transactions.

## 2.4 Financial fixed assets

Financial fixed assets like deposits are valued at historical cost or manufacturing price. Impairment losses are deducted from amortised cost and expensed in the statement of income and expenses.

## 2.5 Receivables, prepayments and accrued income

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

## 2.6 Cash and cash equivalents

Cash and cash equivalents include bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are valued at nominal value.

## 2.7 Current liabilities

Liabilities are initially recognised at fair value, net of transaction costs incurred. Liabilities are subsequently stated at amortised cost, being

the amount received taking into account any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the liabilities using the effective interest method.

All donor payments received by the Foundation for activities that have not been performed yet are presented as 'deferred income' under current liabilities.

## 3 Accounting policies for the statement of income and expenses

### 3.1 General information

The result is determined as the difference between total income and total expenses. Income and expenses are recognised in the statement of income and expenses in the period that they are realised.

### 3.2 Grants and subsidies

Grants and subsidies are recognised as income when there is reasonable assurance that they will be received and that the Foundation will comply with the conditions associated with these contributions. Grants and subsidies that compensate the Foundation for expenses incurred are recognised as income on a systematic basis in the same periods in which the expenses are recognised.

### 3.3 Financial income

Interest income is recognised on a time-weighted basis, taking into



account the effective interest rate of the assets concerned.

### 3.4 Exchange differences

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the statement of income and expenses in the period that they arise.

### 3.5 Expenses

Development costs for the benchmarks created by the Foundation are recognised as expenses, since no future benefits are expected.

The Foundation is the owner of the intellectual property rights of the benchmarks. These rights are internally developed and on that basis not capitalised (in accordance with Dutch law).

### 3.6 Employee benefits

Salaries and wages, social security and pension contributions and other personnel expenses are reported in the statement of income and expenses based on the terms of employment, where they are due to employees.

### 3.7 Financial expenses

Interest and similar expenses paid are recognised on a time-weighted basis, taking into account the effective interest rate of the liabilities concerned. When recognising interest and similar expenses paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

### 3.8 Taxes

The Foundation is exempt from both income taxes and VAT. For services purchased outside of the EU yet consumed in the Netherlands, the reverse charge mechanism applies. The Foundation must then self-assess and pay VAT on these services.

## 4 Financial fixed assets

	12/31/2020 EUR	12/31/2019 EUR
Guarantee deposits intended for housing	39.160	39.316
	<b>39.160</b>	<b>39.316</b>

## 5 Receivables, prepayments and accrued income

	12/31/2020 EUR	12/31/2019 EUR
Danish Ministry of Foreign Affairs	362.051	-
Dutch Ministry of Foreign Affairs	232.058	-
Prepayments	157.808	179.461
Agence de la transition écologique [ADEME]	52.184	-
European Commission [DG-DEVCO]	27.637	-
Foreign Commonwealth and Development Office [FCDO]	9.051	-
St. Access to Seeds Foundation [current account]	-	22.014
Other receivables	2.059	1.120
	<b>842.848</b>	<b>202.595</b>

The fair value of the receivables equals the book value, given the short-term character of these receivables.



## 6 Equity

### Continuity reserve

Movements in the Foundation's continuity reserve can be broken down as follows:

	EUR
Balance as at January 1, 2019	4.004
<b>Movements</b>	
Result for the year	500.000
Balance as at December 31, 2019	<b>504.004</b>

Balance as at January 1, 2020	504.004
<b>Movements</b>	
CHRB Liquidation balance	1.003
ATSF Liquidation balance	47.220
Result for the year	224.042
Balance as at December 31, 2020	<b>776.269</b>

Due to the integration of the Corporate Human Rights Benchmark [CHRB] and Stichting Access To Seeds Foundation [ATSF] into the Foundation both legal entities have been dissolved and bank balance were transferred to the Foundation.

The Foundation's financial position is sufficient to ensure continuity. Though sufficient funding is secured, these donor commitments are not irrevocable. For this reason, the Foundation maintains a continuity reserve. The continuity reserve has been drawn up to cover risks in the short-term and to ensure that the Foundation can meet its obligations in the future.

## 7 Current liabilities

All current liabilities are due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character.

## 8 Taxes and social security contributions

	12/31/2020 EUR	12/31/2019 EUR
Wage tax	120.940	132.301



**9 Deferred income**

	12/31/2020	12/31/2019
	EUR	EUR
Children's Investment Fund Foundation [CIFF]	663.108	-
IKEA Foundation	635.026	-
Porticus	315.849	508.504
Dutch Ministry of Agriculture Nature and Food Quality	101.020	-
Walton Family Foundation	56.256	-
Deutsche Gesellschaft für Internationale Zusammenarbeit [GIZ] GmbH	48.319	155.257
Aviva Foundation	-	267.917
Swedish International Development Cooperation Agency	-	239.113
Danish Ministry of Foreign Affairs	-	399.422
Dutch Ministry of Foreign Affairs	-	129.439
	<b>1.819.578</b>	<b>1.699.652</b>

The Foundation allocated the grant arrangements based on the costs as budgeted in the funding proposals for each funder and recognised it as income (grants and subsidies) for the period to which it is related.

EUR 663.108 granted by the Children's Investment Fund Foundation was received in the fourth quarter of the year 2020. However, this grant is with regards to 2021 and onwards.

**10 Other debts and accruals**

	12/31/2020	12/31/2019
	EUR	EUR
Accrued vacation days	124.963	52.094
Accrued vacation allowance	89.506	62.872
Accrued auditor's fees	3.733	6.161
Other liabilities	165.210	101.259
	<b>383.412</b>	<b>222.386</b>

**11 Commitments and contingent liabilities**

The Foundation has an office rent obligation of EUR 11.038 per month for the Netherlands with Regus Amsterdam B.V. until June 30, 2022 and an office rent obligation of GBP 8.876 for the UK with LABS Worldwide Ltd. until November 30, 2020 which both can be terminated with three months' notice. Despite COVID-19 our office rent obligations remain in effect.



## 12 Grants and subsidies

	12/31/2020	12/31/2019
	EUR	EUR
Dutch Ministry of Foreign Affairs	2.069.564	1.442.349
Danish Ministry of Foreign Affairs	1.566.842	-
Aviva Foundation	1.096.067	2.279.458
Porticus	942.656	104.496
Foreign Commonwealth and Development Office [FCDO]	333.939	1.106.669
IKEA Foundation	291.441	-
European Commission [DG-DEVCO]	282.637	-
Swedish International Development Cooperation Agency	239.113	-
Deutsche Gesellschaft für Internationale Zusammenarbeit [GIZ] GmbH	218.708	-
Walton Family Foundation	121.768	-
Dutch Ministry of Foreign Affairs [DMFA - ATSI]	110.207	-
Dutch Ministry of Agriculture Nature and Food Quality	81.393	213.062
Laudes Foundation	75.000	-
Agence de la transition écologique [ADEME]	72.250	-
	<b>7.501.585</b>	<b>5.146.034</b>

The Foundation allocated the grant arrangements based on the costs as budgeted in the funding proposals for each funder and recognised it as income (grants and subsidies) for the period to which it is related.

## 13 Salaries and wages

	12/31/2020	12/31/2019
	EUR	EUR
Gross salaries and wages	2.787.161	1.574.344
Vacation allowance	152.874	98.210
Vacation days	86.510	32.965
Other salaries	1.075.412	735.452
	<b>4.101.957</b>	<b>2.440.971</b>

## 14 Social security and pension contributions

	12/31/2020	12/31/2019
	EUR	EUR
Social security expenses	392.445	219.501
Pension expenses	96.152	71.621
	<b>488.597</b>	<b>291.122</b>

## 15 Other personnel expenses

	12/31/2020	12/31/2019
	EUR	EUR
IT supplies & software expenses	60.579	29.196
Travel expenses [home-work]	39.524	58.540
Training expenses	31.340	14.851
Untaxed expenses allowance	27.745	16.735
Other employee expenses	116.686	108.664
	<b>275.874</b>	<b>227.986</b>



## 16 Outreach and communication expenses

	12/31/2020	12/31/2019
	EUR	EUR
Communication and media	387.222	189.657
Stakeholder relations	124.709	258.553
Roundtables	24.870	160.198
	<b>536.801</b>	<b>608.408</b>

## 17 Data platform and research partners expenses

	12/31/2020	12/31/2019
	EUR	EUR
Research partners	767.228	310.363
Downstream partner [Carbon Disclosure Project]	368.423	230.518
Data platform	206.159	132.508
	<b>1.341.810</b>	<b>673.389</b>

## 18 Operation support expenses

	12/31/2020	12/31/2019
	EUR	EUR
Audit, legal & HR consultancy	205.657	151.609
Bank charges	5.206	2.454
Supervisory Board expenses [meeting]	1.381	114
Expert Review Committees travel	602	18.540
Supervisory Board travel	356	5.020
Additional governance [Advisory Council and Allies' Assembly]	128	27.162
Expert Review Committees expenses	-	9.541
Other operation support expenses	12.467	12.345
	<b>225.797</b>	<b>226.786</b>

## 19 Audit fees

The following audit fees were reported in the statement of income and expenses in the reporting period.

	12/31/2020	12/31/2019
	EUR	EUR
Statutory audit of annual accounts	4.477	4.925
Other audit fees	1.047	3.400
	<b>5.524</b>	<b>8.325</b>



## 20 Average number of employees

During the financial year, the average number of employees, based on full-time equivalents, was 46.04 (2019: 23.28).

## 21 Management remuneration

During the reporting period, the Foundation paid EUR 615.133 as remuneration for the Executive Board (2019: EUR 275.854). The main reason for this increase is due to the Engagement and Research Director both becoming an official member of the Executive Board as of January 1, 2020. Members of the Supervisory Board of the Foundation are not remunerated.

	12/31/2020	12/31/2019
	EUR	EUR
Gross salaries and wages [including vacation allowance]	555.241	240.608
Social security charges	40.463	21.319
Pension contributions charges	19.429	13.927
	<b>615.133</b>	<b>275.854</b>

Amsterdam, March 29, 2021

**Stichting World Benchmarking Alliance Foundation**

The Executive Board

**Gerbrand Haverkamp**

Executive Director

The Supervisory Board

**Paul Druckman**

Chair





**VAN NOORT GASSLER & CO**  
Audit, Accounting, Tax  
The Netherlands



## INDEPENDENT AUDITOR'S REPORT

To: the Board of Stichting World Benchmarking Alliance Foundation

### A. Report on the audit of the financial statements 2020 included in the annual report

#### Our opinion

We have audited the financial statements 2020 of Stichting World Benchmarking Alliance Foundation, based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting World Benchmarking Alliance Foundation as at 31 December 2020 and of its result for 2020 in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the Balance Sheet as at December 31, 2020;
2. the Statement of Income and Expenses for the year ended December 31, 2020; and
3. the Notes to the Financial Statements comprising a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting World Benchmarking Alliance Foundation in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (VIO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The information that is presented in the contents on page 2, like a governance chapter, the letter from the operations director, of the annual report;
- Other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the Executive Board Report in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

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The Netherlands



## C. Description of responsibilities regarding the financial statements

### Responsibilities of management for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Heemstede, March 29, 2021

JPA Van Noort Gassler & Co B.V.

Original signed by  
R. van Dijk MSc RA  
Chartered public accountant



The World Benchmarking Alliance is funded by

